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Cuomo Won't Run For the Presidency

Blaming N.Y. Republicans, He Cites State Budget Woes

Compiled by Our Staff From Dispatches

ALBANY, New York — Governor Mario M. Cuomo of New York announced Friday that he would not run for the Democratic presidential nomination in 1992, saying his first responsibility was to deal with his state's budget problems.

"Were it not," he said, "I would travel to New Hampshire today and file my name as a candidate in its presidential primary."

Mr. Cuomo spoke at a news conference that came barely an hour before the deadline for entering the nation's first presidential primary.

Speaking of his abandoned candidacy, he said, "That was my hope, and I had prepared for it."

He said his commitment to the state that elected him to a third term in 1990 was "not a commitment of convenience" to be abandoned in pursuit of higher office.

All signs had pointed toward Mr. Cuomo's running. He kept the suspense right up to the last minute. Aides had kept a chartered plane standing by at the Albany airport for most of the day and had picked out a site near the statehouse in Concord, New Hampshire, for a speech — just in case.

When Mr. Cuomo finally appeared to make his announcement, he said he had considered sitting out New Hampshire and entering the race later, but had eventually accepted the judgment of Ronald Brown, the Democratic national chairman, that it was "in the best interests of the party" for him to abandon hopes of a candidacy.

"I would be less than honest if I did not admit to you my regret at not having the privilege of running for president," the governor said.

For 10 weeks, Mr. Cuomo had kept the political world guessing. His noncandidacy appeared to be working well, as nationwide polls showed him to be the favorite for the Democratic nomination and gaining strength in a match against President George Bush.

But his state faces an estimated shortfall of more than $4.5 billion over the next 15 months, and budget talks with Republicans collapsed on Thursday night. Mr. Cuomo suggested that Republicans in the state legislature had resisted a compromise as a way of preventing his run for the presidency.

He had said that without a settlement of the state's fiscal woes, he "couldn't in good conscience declare a candidacy."

The Democrats were of two minds about Mr. Cuomo. His assets are considered formidable. He is intelligent, hard-working and an excellent public speaker and campaigner. Yet his sensitivity to criticism and his almost Hamletlike indecision were considered drawbacks.

In addition, there were signs that the Republicans were prepared to exploit Mr. Cuomo's Italian background as alien to American national politics.

Of the men who would have been his rivals, Mr. Cuomo said: "It's a good field. There are a number of really good candidates in it."

But he said it was "extremely early" to judge and urged the contenders to be more specific about what they would do as president.

The leading candidates are Governor Bill Clinton of Arkansas, Senator Tom Harkin of Iowa and Senator Bob Kerrey of Nebraska. In addition, there are Governor L. Douglas Wilder of Virginia, former Senator Paul Tsongas of Massachusetts and former Governor Edmund G. (Jerry) Brown of California.

He dismissed talk of a draft at the convention in New York City next summer.

Mr. Cuomo said his decision this year was far different from the one he had made in 1987, when he announced on a radio show that he would not be a presidential candidate. He said that on that occasion, he had consulted only two people: the Democratic strategists Kirk O'Donnell and Bob Shrum.

(AP, UPI)

Greg Bos/Reuters

RUSSIA IN NATO? — Moscow's ambassador to Belgium, Nikolai Afanasievsky, before a NATO meeting with the ex-Warsaw Pact. Russia said it sought eventual membership. Page 2.

U.S. Cuts Interest Rate, 3.5% Is 28-Year Low

Big Banks Follow Fed Lead

By Lawrence Malkin
International Herald Tribune

NEW YORK — In an attempt to apply shock treatment to the U.S. economy, the Federal Reserve Board cut its discount rate on Friday to 3.5 percent from 4.5 percent, the lowest since 1963 and the first time in a decade that the central bank has lowered its bellwether rate by a full percentage point.

The board followed up by cutting its federal funds rate to 4 percent, lowering by half a percentage point the rate determining the wholesale cost of money to U.S. commercial banks.

The central bank said that along with rate cuts earlier this year, the cut "should provide the basis for a resumption of sustained economic expansion." The Federal Reserve said the statement signaled that this was a one-time cut expected to be enough to jolt the economy back into growth early next year.

Morgan Guaranty, one of the nation's soundest banks, which has close ties to the Fed and its chairman, Allan Greenspan, followed quickly by cutting its prime rate a full percentage point to 6.5 percent. But most-money center banks waited to announce their reductions until the end of the business day. That could have reflected resistance to giving up the profits from a wider spread between the cost and price of their funds or merely the difficulty in rounding up bank officers to approve the cut on the day before the start of Christmas week.

Regional banks moved more quickly, but some shaved their prime rates by only half a point, to 7 percent.

Financial markets took the decision in stride, and stocks and bonds moved far less than the Fed's action would imply. The sharpest effect was on the dollar, which fell more than 2 pfennig.

The Fed made it clear that it was willing to accept the short-term consequence of a lower dollar as the price of getting the economy started. But some analysts believed that the central bank waited until the Bundesbank raised German rates on Thursday to make sure the dollar would not collapse. Indeed, the board did not decide to cut the rate until late Thursday, after monitoring the relatively calm foreign-exchange markets.

Mr. Greenspan pleaded with Congress earlier this week not to enlarge the budget deficit and instead to focus on fundamentals, but some on Wall Street felt he had suddenly changed course and adopted precisely the quick fix that he warned Congress to avoid.

Explanations for the Fed's mixed signals, followed by its unexpected policy shift, were wide-ranging. They included White House pressure, fears for the financial system, an enforced delay until the results of Germany's cuts could be assessed and sheer ineptitude.

David Jones of Aubrey G. Lanston & Co., a Wall Street bond house, said the rate cut was "damage control when General Motors is laying off thousands, Christmas sales are collapsing and negative psychology is everywhere."

Neil Soss, the chief economist of First Boston Corp. and a former Fed official, found the decision logical in view of Mr. Greenspan's explanation that he had been lowering rates so companies and individuals can work off huge debts.

"The sooner companies can liquefy their balance sheets, the sooner they will start issuing new debt at lower rates and new equity to grow again," he said. "The test of this policy will come in the new year, when we see whether companies go into the new issue market to do that."

Henry Kaufman, one of Wall Street's leading financial economists, welcomed the rate cut, which he had recommended in congressional testimony.

"There is a huge debt overload, and this financial constraint is the

See RATES, Page 12

German Message: 'Do It Our Way'

By Tom Redburn
International Herald Tribune

PARIS — With Germany and the United States pulling in opposite directions in pursuit of their own domestic economic objectives, most Europeans are caught in the middle.

When the U.S. Federal Reserve Board sharply cut its discount rate on Friday only a day after Germany's Bundesbank raised its own lending rates, analysts said, it sent a powerful signal that neither economic giant is particularly concerned about what happens to everybody else.

"They both said: 'Forget what happens to the currency. We're going to take care of our own problems,'" said David Hale, chief economist at Kemper Financial Services in Chicago. "That leaves most of Europe, at least for now, out in the cold."

On one side, the Bundesbank is determined to push interest rates high enough to force German unions to moderate their wage demands, thus helping to ease domestic inflation. On the other, the Federal Reserve wants to revive the ailing U.S. economy at almost any cost, undermining the dollar and thus making it even harder for European industry to compete with U.S. producers.

"It's black-and-white. Dr. Jekyll-and-Mr. Hyde, a total divergence in views in how to manage an economy," said David Roche, a London-based European investment strategist for Morgan Stanley International. "In my view, the United States has abandoned good money management."

The Bundesbank move capped an extraordinary week in which Germany, for the first time since World War II, flexed its muscles simultaneously on the political and economic fronts. Chancellor Helmut Kohl, under pressure at home to justify his failure to win a significantly enhanced role for the European Parliament and to increase German representation in the European Community to reflect its post-unification weight, began taking a more aggressive role for Germany.

In Brussels, Germany forced its partners to go along with recognition of Croatia and Slovenia despite clear misgivings in several European countries, as well as in the United States and at the United Nations.

Meanwhile, the independent Bundesbank, never particularly fond of European economic and monetary union, delivered the message to EC political leaders that the currency union they accepted at the summit meeting in Maastricht, the Netherlands, must follow Germany's hard-line approach to inflation even when it threatens to produce an economic downturn.

"Unfortunately, this Bundesbank decision will pose a major burden for some of our neighboring countries," said Peter Pietsch, the chief economist at Commerzbank in Frankfurt. "In contrast to the Fed move, which reflects the great concern about the overall U.S. economy, Germany is quite different. The Bundesbank has only one target — price stability — and it is willing to ignore other considerations in pursuit of that tough course."

Mr. Roche agreed: "The message from Germany after Maastricht is 'Do it our way.' From now on, if you want to be in the European currency union, the pressure will be to pursue German-style economic policies.

"That should be good for Europe in the long run, but only at a very painful political price that not all countries may be prepared to pay." Germany, too, will have to pay a price for squeezing inflation out

See MUSCLE, Page 13

Baker Finds Drastic Change, for Better or Worse

By David Hoffman
Washington Post Service

BRUSSELS — Secretary of State James A. Baker 3d paid his final respects to the Soviet Union this week in a tour that revealed two very different worlds taking shape in the fallen superpower.

In Moscow, Mr. Baker watched helplessly and with some anguish as President Mikhail S. Gorbachev was reduced to irrelevancy, along with Foreign Minister Eduard A. Shevardnadze, with whom many U.S.-Soviet cooperative ventures were forged in recent years.

Mr. Baker, according to participants, found Moscow drowning in its immense economic problems while President Boris N. Yeltsin of the Russian Republic was preoccupied with wresting power away from Mr. Gorbachev and asserting Russia's new role in the world.

But in four other republics that have declared their independence, Mr. Baker found that the end of central authority had sparked a new interest in the nuts and bolts of building democracies and free markets.

Ukraine reaches an accord with Russia to destroy all tactical nuclear weapons on Ukrainian territory. Page 2.

Once tethered to Moscow, the republics are now on their own, and republic leaders told Mr. Baker that they were desperate for Western technical know-how.

They outdid themselves trying to emphasize to Mr. Baker that they take seriously the Western standards for such cooperation, and promised to throw open their doors in the next few months to American lawyers and scientists who will help them ratify treaties and strengthen nuclear safety.

This picture of the former union was a reversal of what Mr. Baker found on his last visit only three months ago, after the failed August coup, participants said. Back then, Mr. Yeltsin was riding high and seemed to be the driving force behind radical change, and many of the republic leaders told Mr. Baker that they still saw a need for a central authority that would be run by post-coup reformers.

Now, with the center about to vanish, U.S. policymakers said they were more confident that some republics

See BAKER, Page 5

Congress Takes Aim At Japan's Trade Gap

Compiled by Our Staff From Dispatches

WASHINGTON — Stung by the crisis in the American auto industry, Democratic members of Congress said Friday that they intended to choke off Japanese car imports unless Japan eliminated its huge trade surplus with the United States.

Their plan was disclosed as President George Bush prepared to visit Japan next month to press for lower trade barriers so that Japanese markets are "fully open to American goods and services."

Senator Donald W. Riegle Jr., Democrat of Michigan, whose state will be hard hit by the large-scale shutdowns announced this week by General Motors Corp., blamed "the trade invasion by Japan" for the auto industry's troubles.

"It must be stopped," he said at a news conference by co-sponsors of the Trade Enhancement Act of 1992, a bill to force Japan to bring its trade surplus with the United States into "relative balance" over five years.

This year, Japan's surplus with the United States totaled about $41 billion. Mr. Riegle said that since 1980, Japan's cumulative trade advantage has been $459 billion, 75 percent of it a result of exports of cars and auto parts to the United States.

Representative Richard A. Gephardt, Democrat of Missouri, the House majority leader, said the legislation would be introduced next month and would be pushed to passage unless Mr. Bush's mission produced results.

The Democrats have a majority in both houses of Congress, where there is growing impatience with what are seen as Japan's trade barriers.

As envisaged, the legislation would require the Japanese to reduce their trade surplus with the United States by 20 percent a year over five years — either by allowing more sales of American goods in their country or accepting cuts in U.S. sales of Japanese automobiles.

"It provides a measuring stick against which the American people will evaluate the success or failure of the president's trip," said the

See TRADE, Page 3

Yeltsin Extends His Power Grab

By David Remnick
Washington Post Service

MOSCOW — President Boris N. Yeltsin of Russia accelerated on Friday his drive to demolish the old Soviet Union and make an independent Russia the inheritor of its power as he ordered the seizure of the vast Soviet foreign intelligence apparatus.

Mr. Yeltsin, who met Friday in Rome with Pope John Paul II and Italian business leaders, later flew to the capital of Kazakhstan, Alma-Ata, where leaders of 12 republics will work on details on the formation of the new Commonwealth of Independent States, the political entity that will formally replace the Soviet Union on New Year's Eve.

The three Slavic states, Russia, Ukraine and Byelorussia, as well as Armenia and the five Central Asian states appear committed to join the Commonwealth. Azerbaijan, Moldovia and Georgia have sent representatives to the talks and are considering signing the final declaration.

The Commonwealth members will also sign a pact on nuclear defense.

The three Baltic states have not sent representatives to the talks, but some politicians in the region have expressed interest in participating.

Mr. Yeltsin's seizure on Friday of the old KGB's huge foreign intelligence apparatus is part of the Russian government's general assumption of authority as the leading figure in the Commonwealth.

According to the news agency Interfax, Mr. Yeltsin's decree said, "All property, buildings, equipment, information banks and documentation of the Union intelligence service should be handed

See YELTSIN, Page 2

Agence France-Presse

Boris N. Yeltsin, right, the Russian leader, meeting on Friday in Rome with Giovanni Agnelli, president of Fiat, the Italian automobile manufacturer. Mr. Yeltsin said Fiat had signed a letter of intent to take a stake in the Volga Automobile plant in Russia. Page 11.

Kuwaitis Back to Buying, but Keep a Jeep Handy

By Chris Hedges
New York Times Service

KUWAIT — The detritus of war has been swept aside, the 732 burning oil wells capped, the streets repaired, the telephone and electrical service restored and the stores stocked with products as diverse as Louis Vuitton luggage, English chutney and Davidoff cigars.

In the 10 months since Iraqi invaders were ousted from Kuwait, the country has transformed itself from a looted wreck to a place that holds out the promise of recapturing its former affluence.

To be sure, some government offices and hotels remain gutted, and north of the capital stretches of junked and destroyed vehicles litter the desert. Major projects, such as the completion of television transmission towers and the removal of about a million mines spread out in the desert, are still under way.

But an infusion of foreign expertise, especially from the U.S. Army Corps of Engineers, and the discovery that the country's infrastructure suffered less damage than originally estimated have combined to reduce predictions for recovery to months from years.

The air, once hazy with the soot of the burning oil wells, is now fresh, with only the winter rains to limit the view.

"There is a feverish quality to the recovery," a Western diplomat said, "as if they can put back their life enough to erase the past."

The Kuwaitis who saw out the war abroad are back, and the restaurants and jewelry shops are as crowded as before. And except for the plastic still on the upholstery, the new Mercedes-Benzes do not look much different from the old.

But in many aspects and attitudes, the old Kuwait has vanished. Many Kuwaitis, once complacent about their wealth and the influence it gave them, now keep their money abroad and a four-wheel-drive vehicle in the garage, in case they have to high-tail it again to Saudi Arabia.

There are still some 2,000 Kuwaitis unaccounted for, and yellow posters with the words "We will not forget you" cover the city. Diaries and books chronicling the invasion and occupation are being churned out by publishing houses. Theater groups mount productions that satirize Saddam Hussein and the brutality of the occupation.

A sense of mourning still prevails. Gruesome pictures of

See KUWAIT, Page 5

Kiosk

Take Honecker, Yeltsin Tells Kohl

ROME (Reuters) — President Boris N. Yeltsin of the Russian Republic said on Friday that he had asked Chancellor Helmut Kohl of Germany to have Erich Honecker, the former East German leader, returned to Germany.

Mr. Honecker, who is wanted in Germany on manslaughter charges, took refuge in the Chilean Embassy earlier this month. Mr. Yeltsin said he told Mr. Kohl to "work this out with the Chilean government and then please come and remove him from the Chilean Embassy and take him back to Germany."

General News

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South Africa's president called for a multiracial vote. Page 5.

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Robert Maxwell ran into his most serious troubles in the last 18 months of his life. Page 11.

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Dow Close
Up 20.12
2,934.48

The Dollar In New York

DM	1.5359
Pound	1.858
Yen	127.525
FF	5.2495

Another Republic Seeks Independence From Yugoslavia

By Chuck Sudetic
New York Times Service

BANJA LUKA, Yugoslavia — Yugoslavia tumbled further toward complete disintegration on Friday when the government of the ethnically mixed republic of Bosnia-Herzegovina decided to ask the European Community for recognition as an independent state.

In Belgrade, meanwhile, the empty shell of Yugoslavia's federal government shattered with the resignation of Prime Minister Ante Markovic.

The decision of Bosnia-Herzegovina's government is certain to enrage this republic's 1.4 million Serbs, who oppose the breakup of Yugoslavia and separation by an international border from Serbia.

The republic's Muslim Slavs and Croats say they do not want to remain in a rump Yugoslav state that will almost certainly be Serb-dominated.

The decision was made at a meeting of government ministers on Friday. Five republican ministers representing the republic's 1.7 million Muslim Slavs and 800,000 Croats reportedly opted for EC recognition; the two Serbian ministers reportedly were opposed.

Only two of Yugoslavia's six republics, Serbia and Montenegro, have decided not to apply for recognition from the EC countries.

"The vast majority of Bosnia-Herzegovina citizens stand behind today's decision," said the republic's Muslim president, Alija Izetbegovic.

"I am ready," he said, "to challenge all those who oppose this decision to verify this fact in a referendum."

Serbian leaders argue that no independence referendum will be valid unless a majority of the republic's Serbs cast ballots in favor of it.

Leaders of the republic's main Serbian party, the Serbian Democratic Party, met behind closed doors in Sarajevo, the republic's capital, on Friday to decide on a course of action.

Mr. Izetbegovic warned that the pro-Serb Yugoslav National Army, which has much of its fire power and a large share of its weapons-production facilities in Bosnia-Herzegovina, must go along with the republican government's decision.

"The army must act as the civil authorities order it to act," he said.

Yugoslavs fear that Friday's decision will provoke the well-armed Serbian enclaves in Bosnia-Herzegovnia to secede from the republic and, either link up with a rump Yugoslav state or appeal for annexation by Serbia, historically Yugoslavia's dominant republic.

An application by Bosnia-Herzegovnia for EC recognition is tantamount to a declaration of independence similar to the declarations by Slovenia and Croatia on June 25, which sparked the ongoing Serbian-Croatian war.

Heavy fighting was reported in Croatia again Friday all along the war front, including Osijek, Karlovac and Zadar.

Yugoslavs are terrified that the fighting in Croatia, which has already claimed thousands of lives, will soon spread to areas of Bosnia-Herzegovnia where the Muslims, Serbs and Croats live as neighbors.

EC leaders called Friday for a quick deployment of United Nations peacekeeping troops to the republic to head off an outbreak of violence.

The danger that recognition of Bosnia-Herzegovina might unleash a torrent of bloodshed in the republic lies, at least in part, behind the refusal of the United States to follow the EC's lead in recognizing the individual Yugoslav republics.

Several European Community countries, notably Britain, share this concern, but they succumbed to pressure from Germany, which has already announced that it would recognize Croatia and Slovenia before Christmas.

Mr. Markovic's resignation clears the way for Serbia to finish its takeover of the Yugoslav federal government.

A statement issued by a Serb-dominated federal parliamentary commission on Friday said Yugoslavia's Serb-controlled rump presidency can use emergency powers to name a new government.

Peter Andrews/Reuters

President Nursultan A. Nazarbayev, left, welcoming his Ukrainian counterpart, Leonid M. Kravchuk, to Kazakhstan on Friday.

At NATO's East-West Forum, Russia Wants In

By Thomas L. Friedman
New York Times Service

BRUSSELS — Offering yet another sign that the disintegration of the Soviet Union was turning global politics upside down, President Boris N. Yeltsin of Russia wrote Friday to NATO asking it to consider allowing his republic to become a member sometime in the future.

Mr. Yeltsin's letter was sent to the North Atlantic Treaty Organization on Friday in conjunction with the first-ever meeting of the 16 alliance foreign ministers and those of the former Warsaw Pact: the Soviet Union, Bulgaria, Czechoslovakia, Hungary, Poland and Romania. The three Baltic republics, Lithuania, Latvia and Estonia, also participated.

The Soviet Union was represented at the start of the session by the Soviet ambassador to Belgium, Nikolai Afanasievsky.

But before the four-hour meeting was over, he stunned the foreign ministers by announcing that his country no longer existed, and that he had been ordered to strike all references to the "Soviet Union" from the final communiqué, which had already been distributed to the press.

As one foreign minister remarked later, "We began the meeting with 25 nations present and we ended with 24."

The ministers plan to institutionalize these East-West meetings, forming a "North Atlantic Cooperation Council" to discuss various forms of security cooperation in Europe.

Mr. Yeltin's request to join NATO follows appeals from the other members of the former Warsaw Pact, particularly Hungary and Czechoslovakia. It could eventually present a serious challenge for NATO. Formed four decades ago to deter a Soviet invasion of Western Europe, it now finds itself having to deter a membership stampede from the newly democratized nations of Eastern Europe and the former Soviet Union.

NATO officials, from Secretary-General Manfred Wörner on down, seemed too taken aback by the Russian request to give any coherent response. Mr. Wörner, in a news conference on Friday, even tried to suggest that Mr. Yeltsin was not asking to join, when in fact that is exactly what he asked to do in his letter.

"I have seen the letter," said Mr. Wörner, who seemed to be doing everything possible to discount the request. "He did not apply for membership, he just raises a question, and then says he regards that as a long-term political aim. My reaction is that nothing is excluded, and we will have time enough to develop relations."

Mr. Wörner's ambivalence is not surprising. To admit Russia, which is expected to be the main successor state of the Soviet Union, would be such a challenge to NATO's identity that the alliance would need to redefine itself or go out of business.

It would be a great irony of history if this Russian request to join — rather than a Soviet invasion — were to serve as the impetus for NATO's eventual dissolution.

As Foreign Minister Mark Eyskens of Belgium said of the request: "If you do it for Russia, you also have to do it for the other republics. For NATO, there is a danger of dilution."

The Yeltsin letter overshadowed the important first gathering of the cooperation council at NATO headquarters.

Mr. Wörner said at the start of the gathering:

"This is a very moving moment for me, and I think you all share this emotion. When I took office as secretary-general of the North Atlantic alliance, I could not receive the ambassador of any of the countries of Central and Eastern Europe in our headquarters. Our states were adversaries. Three and half years later, here we are, sitting around the same table, celebrating the inaugural meeting of the North Atlantic Cooperative Council."

In the communiqué establishing the council, the group said that the focus of its consultations and cooperation would be "security and related issues, such as defense planning, conceptual approaches to arms control, democratic concepts of civilian-military relations, civil-military coordination of air traffic management and the conversion of defense production to civilian purposes."

Lawmakers Accuse Bush of Lethargy on Soviets

By Helen Dewar
Washington Post Service

WASHINGTON — The chairman of the House Armed Services Committee, Les Aspin, has joined other senior lawmakers in accusing the Bush administration of delaying its response to the collapse of the Soviet Union.

One after another over the last week, they have appealed for a more aggressive, better-coordinated administration effort to help avert hunger, strengthen democratic forces and keep the disintegrated union's nuclear weapons and scientific talent from falling into the wrong hands.

The criticism threatens to put the president on the defensive on foreign policy, which has been his strong suit, as he continues to fight Democratic charges that he has failed to address domestic needs.

The most sweeping criticism came from Mr. Aspin, a Wisconsin Democrat, in a speech Thursday at the Center for National Policy, an independent organization with ties to the Democrats.

"The United States won the Cold War on George Bush's watch, but George Bush is having trouble figuring out how to secure the peace," Mr. Aspin said.

"I submit this is a pattern," he added. "We have seen it in Iraq and Panama, as well. The president's penchant for decisive action is not matched by an ability to follow up victories to secure his gains. It's not foreign policy the president seems to be preoccupied with, it's foreign adventure."

More specifically, Mr. Aspin accused the administration of "losing valuable tools" for coping with the crisis in Russia and other breakaway republics by failing to support a $1 billion aid package last autumn. The package now totals $500 million.

Mr. Aspin spoke a day after an influential senator from each party — the Armed Services Committee chairman, Sam Nunn, Democrat of Georgia, and a Foreign Relations Committee member, Richard G. Lugar, Republican of Indiana — appealed for vigorous action on the nuclear issue.

Mr. Lugar did not criticize the administration directly. But he noted that it had been 82 days since President Bush addressed the nation on nuclear disarmament and 21 days since Congress provided the $500 million for the dismantling of weapons and for humanitarian aid.

"As of today," Mr. Lugar said, "zero nuclear weapons in the former Soviet Union have been destroyed."

Mr. Nunn called for the immediate designation of a cabinet-level coordinator for the U.S. response to the republics' crises, arguing that the current coordinator, Deputy Secretary of State Lawrence S. Eagleburger, had too many other duties.

YELTSIN: *Russian Leader Seizes Soviet Foreign Intelligence Ministry*

(Continued from page 1)

over to the Russian foreign intelligence service within a month."

Alexander Likhotal, a spokesman for Mikhail S. Gorbachev, told British television that if the republics' leaders come to an agreement this weekend, Mr. Gorbachev could resign by the end of next week.

Another of Mr. Gorbachev's spokesmen, Andrei Grachev, said that while the Soviet president was unlikely to hold a formal government position in the new Commonwealth, he probably would play some role in public life.

Mr. Grachev told Interfax that in a farewell phone call, Mr. Gorbachev told Chancellor Helmut Kohl of Germany that whatever he did, it "will be aimed at providing the utmost assistance to the process of democratic reforms."

Mr. Gorbachev told a group of foreign businessmen that he may head an international committee designed to funnel food and other aid to the various republics.

Leaders of the North Atlantic Treaty Organization and the European Community said that if Saturday's negotiations in Alma-Ata went smoothly, they may recognize the various republics as independent sovereign states as early as Monday.

In Alma-Ata, there were reminders of the deep uncertainties involved in dismantling the Soviet Union. Some of the smaller states, in particular, have shown suspicions that Mr. Yeltsin's Russian government is trying to retain for itself a dominant role in the new regime.

The Kazakh government, which is playing host to the talks, expressed surprise at the inclusion in the Russian delegation of the Soviet defense minister, Marshal Yevgeni I. Shaposhnikov, and the interior minister, Viktor P. Barannikov.

The ministers of the former Soviet government were invited to the talks, but not as part of the Russian delegation, according to Kazakhstan's presidential spokesman, Seitkazi Mataev.

The Kazakh president, Nursultan A. Nazarbayev, continues to tell interviewers that he was offended that the Slavic leaders unexpectedly formed the core of the Commonwealth without consulting other republican leaders.

Members of Mr. Yeltsin's staff have been combing the Kremlin, taking inventory of the equipment and facilities there in preparation for the republican government's takeover of the traditional seat of Russian power.

But while these moves have an optimistic air about them, it is clear that Mr. Yeltsin is facing very hard times ahead as he plans to free up prices on Jan. 2. He has also come in for some scathing criticism from both his vice-president, Alexander V. Rutskoi, and Gavriil K. Popov, who is resigning as Moscow's mayor.

Mr. Popov, who expressed anger that the Russian government did not help him in his plans to privatize housing and commercial properties, warned that the increasingly difficult economic times ahead could lead to chaos and the threat of fascism.

Ukrainian Pact on A-Arms

By R. Jeffrey Smith
Washington Post Service

KIEV — Ukraine and Russia have agreed that all tactical nuclear weapons deployed by the Soviet government on Ukrainian territory will be disabled and withdrawn in less than a year for storage and eventual destruction in Russia, Ukrainian and Soviet military officers have disclosed.

In addition, the two former Soviet republics have agreed to stop maintaining strategic, or long-range, nuclear warheads on alert inside Ukraine and to move several-dozen bombers equipped with nuclear warheads out of Ukrainian territory, according to Ukrainian officials.

The agreement was disclosed Thursday by General Sergei Zelentsov, a Soviet Defense Ministry official responsible for helping oversee the country's nuclear weapons arsenal, and was confirmed by Genera Vadim Grechaninov, deputy chief of staff of the newly formed Ukrainian Defense Ministry, and other Ukrainian officials.

The officials said the moves were aimed at allaying concern here and throughout the West that nuclear arms in Ukraine could be stolen or might explode during future political or economic turmoil.

The plans, which suggest stepped-up cooperation between the former republics, indicate that the Ukrainian government is moving swiftly toward fulfilling a promise to Secretary of State James A. Baker 3d this week that its territory will eventually be nuclear-free, a development that Ukrainian officials hope will enhance prospects for U.S. diplomatic recognition of Ukrainian independence in coming weeks.

The plan was disclosed after General Zelentsov said at a news conference that Ukraine had already "initiated the process of withdrawal and complete elimination" of its nuclear weapons.

General Zelentsov said steps were being taken to render nuclear arms in the Ukraine incapable of causing a nuclear explosion. He declined to provide details, saying that different procedures are involved for short-range artillery shells, mines and rocket warheads.

Officials declined to say exactly how many nuclear weapons were covered by the accord. Western experts say that fewer than 5,000 warheads are believed deployed in Ukraine, out of a total of 27,000 in the Soviet arsenal.

The weapons include 2,000 to 3,000 tactical arms believed deployed at four Ukrainian storage sites, 1,240 warheads on strategic missiles at two bases, and roughly 30 strategic bombers at two airfields.

If carried out as planned, the accord would rid Ukraine of all the tactical arms, but not the strategic warheads. If the strategic weapons are taken off alert, they could not be launched toward the United States without substantial advance preparation.

Ukrainian officials said they were seeking Russian approval and U.S. help to destroy the strategic missiles on their territory more rapidly than required under a recent U.S.-Soviet arms-control accord.

WORLD BRIEFS

Avoid Extremism, Rafsanjani Urges

TEHRAN (Reuters) — President Hashemi Rafsanjani said Friday that Iran should avoid extremist slogans that open it to accusations of terrorism and hinder its diplomatic efforts worldwide.

Speaking at Tehran University, Mr. Rafsanjani said that Iran "needs statesmanship to consolidate internally and in foreign policy so we can be present to help people without being accused of terrorism, of being extremist."

"We don't need to put forth impractical slogans, demands that cannot be realized but unduly frighten people and hinder us," he added. Since becoming president in 1989, Mr. Rafsanjani has toned down Iran's militant rhetoric to end its political isolation and help rebuild the economy after the Iran-Iraq war.

China's Message to Arafat on Israel

BEIJING (Reuters) — China told Yasser Arafat, the chairman of the Palestine Liberation Organization, on Friday that the security of Israel should be guaranteed.

"The sovereignty and security of all Middle East countries, including Israel, should be respected and guaranteed," Prime Minister Li Peng was quoted by the official Xinhua News Agency as saying.

"We support all sorts of efforts which are conducive to the peace process in the Middle East," he told Mr. Arafat, who is visiting China. Mr. Li's statement was the latest indication that Beijing plans to establish diplomatic relations soon with Israel.

Death Clamor in Pakistan Rape Case

FATEH JANG, Pakistan (AP) — More than 500 members of the powerful Muslim Khattar tribe issued an edict Friday imposing a death sentence on anyone found to have been involved in a gang rape of a close friend of former Prime Minister Benazir Bhutto.

Veena Hyatt, 38, daughter of Shaukat Hyatt, a veteran politician and tribal chief, has accused Irfanullah Marwat, a powerful politician in Miss Bhutto's home state of Sindh, of organizing an attack on her by five masked gunmen. Mr. Marwat has denied the charge. No one has been arrested, and the case is under investigation.

Mr. Marwat is the son-in-law of Pakistan's president, Ghulam Ishaq Khan, and an adviser to Chief Minister Jam Saddiq Ali, a political enemy of Miss Bhutto.

China Dissident Allowed to Go to U.S.

BEIJING (AP) — A dissident journalist who was arrested during Secretary of State James A. Baker 3d's visit said Friday that she had received final approval to go to the United States.

The dissident, Dai Qing, a well-known writer for the newspaper Guangming Daily, said she received her final exit permit from the police on Thursday. She plans to leave Sunday to take up a Nieman Fellowship for journalists at Harvard University. Authorities had refused since September to allow her to leave because of her involvement in the 1989 democracy movement.

She said she thought the publicity her arrest received was the reason she was now being allowed to go. She was arrested Nov. 16 to prevent her from meeting with Mr. Baker, who was making a three-day visit. He was the most senior U.S. official to visit China since troops opened fire on pro-democracy demonstrators in 1989.

Syria Assails France's Mideast Policy

PARIS (Reuters) — Foreign Minister Farouk Shara of Syria attacked French policy in the Middle East on Friday after his French counterpart, Roland Dumas, postponed a planned visit to Damascus.

"Whether it is trying to uphold its interests or respect moral criteria, France is wrong," Mr. Shara said in the Friday edition of Le Monde. "If the French are looking for their interests, they are far more on the Arab side than with Israel. They give to Israel without getting anything substantial in return, whereas with the Arab world relations are doubly beneficial because they take on the one hand and sell on the other."

Mr. Shara accused France of inventing the case of a Nazi war criminal, Alois Brunner, whose extradition Paris is seeking from Syria, while ignoring Israeli "war criminals" and of taking a one-sided stance on Lebanon. "The Arabs cannot accept this hypocrisy," he said. His remarks indicated that there were deeper grounds for the last-minute cancellation of Mr. Dumas's trip than the scheduling problems cited by the French Foreign Ministry.

For the Record

Austrian policemen maintained a news embargo Friday on efforts to free a relative of the German industrialist Friedrich-Karl Flick who was kidnapped this week. Police sources said the abductors of Günther Ragger, 26, Mr. Flick's brother-in-law, had threatened to kill him unless a ransom of 10 million Deutsche marks ($6.36 million) was paid. *(Reuters)*

Leopold Sédar Senghor, 85, the former Senegalese president and one of the French-speaking world's leading writers, suffered a minor heart attack at his home in Normandy, Radio France-Info said Friday. He quit the presidency in 1980 after 20 years in power. *(Reuters)*

TRAVEL UPDATE

South African Airways said Friday that it would resume flights from Johannesburg to Perth and Sydney beginning Jan. 18. Flights stopped in 1987 because of Australian opposition to apartheid. *(Reuters)*

Lisbon commuters struggled to get to work on Friday as a one-day strike paralyzed the underground train network and clogged already heavy road traffic. The subway strikers are unhappy about the discrepancy between the large pay increases awarded this year to skilled staff and the average raises given to most other metro workers. *(Reuters)*

Rome will be closed to private traffic for three Sundays next month in an effort to fight worsening air pollution, the city council announced Friday. *(Reuters)*

The Weather

Forecast for Sunday through Tuesday

North America

A storm in Texas Sunday will take a northeastward track into the Ohio Valley Monday and into the mid-Atlantic states Tuesday. A soaking rain will accompany the storm along with a small area of snow on the northern fringe of the storm.

Europe

Great Britain and northern France through Germany will be windy Sunday into early next week with a few showers. Heavy rains will develop over the eastern Mediterranean Sea Sunday and spread northward into southwestern Turkey early next week.

Asia

A storm will spread snow across parts of northern China and Korea Sunday and Monday, and colder-than-normal air will follow the storm. Tokyo will be dry Sunday, then showers are possible Monday. Dry weather will remain in Hong Kong and Taipei.

Europe

	Today High C/F	Today Low C/F	Wx	Tomorrow High C/F	Tomorrow Low C/F	Wx
Algarve	19/66	9/48	s	20/68	10/50	s
Amsterdam	9/48	6/43	sh	10/50	3/37	r
Ankara	10/50	2/35	sh	4/39	-2/29	sn
Athens	12/53	4/39	sh	10/50	3/37	sh
Barcelona	17/62	7/44	pc	18/64	8/46	s
Belgrade	7/44	-1/31	c	6/43	-2/29	pc
Berlin	7/44	0/32	sh	8/46	0/32	c
Brussels	10/50	6/43	sh	9/48	4/39	r
Budapest	7/44	3/37	r	6/43	1/34	c
Copenhagen	7/44	1/34	sh	6/43	1/34	r
Costa Del Sol	18/66	12/53	s	20/68	10/50	s
Dublin	11/52	4/39	sh	8/46	2/35	r
Edinburgh	8/46	4/39	sh	8/46	2/35	r
Florence	11/52	4/39	pc	12/53	4/39	pc
Frankfurt	8/46	2/35	sh	8/46	2/35	c
Geneva	8/46	2/35	sh	10/50	3/37	sh
Helsinki	2/35	-1/31	sn	1/34	-1/31	sn
Istanbul	10/50	6/43	r	7/44	2/35	sh
Las Palmas	22/71	12/53	s	24/75	14/57	pc
Lisbon	18/64	7/44	s	19/66	7/44	s
London	9/48	6/43	sh	10/50	3/37	r
Madrid	16/61	4/39	s	17/62	3/37	s
Milan	9/48	3/37	pc	9/48	1/34	s
Moscow	7/44	3/37	sh	6/43	0/32	c
Munich	6/43	1/34	sh	6/43	1/34	r
Nice	11/52	7/44	c	14/57	6/43	pc
Oslo	4/39	1/34	sn	6/43	2/35	r
Paris	7/44	1/34	c	8/48	3/37	c
Prague	6/43	1/34	sh	8/46	-1/31	pc
Reykjavik	3/37	-2/29	sn	1/34	-6/22	sf
Rome	11/52	2/35	pc	11/52	4/39	s
St. Petersburg	3/37	-1/31	sh	2/35	-1/31	sn
Stockholm	1/34	-3/27	c	3/37	-1/31	sn
Strasbourg	9/48	4/39	sh	10/50	4/39	sh
Tallinn	2/35	-1/31	sn	1/34	-1/31	sn
Venice	11/52	4/39	pc	10/50	3/37	pc
Vienna	6/43	1/34	sh	4/39	0/32	c
Warsaw	7/44	2/35	sh	4/39	0/32	c
Zurich	6/43	1/34	sh	8/46	1/34	sh

Middle East

	Today High C/F	Today Low C/F	Wx	Tomorrow High C/F	Tomorrow Low C/F	Wx
Beirut	16/61	8/46	pc	17/62	8/46	t
Cairo	17/62	7/44	s	18/64	9/48	pc
Damascus	16/61	11/52	s	17/62	10/50	pc
Jerusalem	14/57	7/44	s	13/55	4/39	pc
Riyadh	18/64	10/50	s	17/62	10/50	pc

Oceania

	Today High C/F	Today Low C/F	Wx	Tomorrow High C/F	Tomorrow Low C/F	Wx
Auckland	17/62	10/50	pc	17/62	10/50	pc
Sydney	28/82	18/64	pc	29/84	18/64	pc

Asia

	Today High C/F	Today Low C/F	Wx	Tomorrow High C/F	Tomorrow Low C/F	Wx
Bangkok	31/88	22/71	pc	32/89	22/71	pc
Beijing	-2/29	-7/20	pc	-2/29	-7/20	pc
Hong Kong	25/77	19/66	pc	25/77	19/66	pc
Manila	30/86	24/75	c	31/88	23/73	pc
New Delhi	22/71	10/50	pc	22/71	10/50	pc
Seoul	3/37	-7/20	c	3/37	-7/20	c
Shanghai	4/39	-1/31	pc	4/39	-1/31	pc
Singapore	29/84	22/71	pc	29/84	22/71	pc
Taipei	20/68	16/61	pc	21/70	16/61	pc
Tokyo	11/52	6/43	pc	13/55	8/46	c

Africa

	Today High C/F	Today Low C/F	Wx	Tomorrow High C/F	Tomorrow Low C/F	Wx
Algiers	20/68	10/50	s	17/62	9/48	c
Cape Town	28/82	11/52	pc	28/82	11/52	pc
Casablanca	22/71	10/50	s	21/70	13/55	pc
Harare	28/82	15/59	pc	28/82	15/59	pc
Lagos	28/82	23/73	pc	28/82	23/73	pc
Nairobi	26/79	10/50	pc	24/75	9/48	pc
Tunis	17/62	8/46	pc	17/62	8/46	pc

Latin America

	Today High C/F	Today Low C/F	Wx	Tomorrow High C/F	Tomorrow Low C/F	Wx
Buenos Aires	26/79	18/64	sh	27/80	18/64	pc
Caracas	28/82	22/71	pc	28/82	22/71	pc
Lima	23/73	14/57	pc	23/73	14/57	pc
Mexico City	21/70	9/48	sh	20/68	9/48	pc
Rio de Janeiro	30/86	17/62	sh	30/86	17/62	pc
Santiago	23/73	14/57	pc	23/73	14/57	pc

North America

	Today High C/F	Today Low C/F	Wx	Tomorrow High C/F	Tomorrow Low C/F	Wx
Anchorage	-8/18	-14/7	sf	-6/22	-14/7	sn
Atlanta	16/61	4/39	pc	16/61	7/44	pc
Boston	5/41	-3/27	r	4/39	-1/31	pc
Chicago	4/39	-2/29	s	6/43	0/32	pc
Denver	8/46	-4/25	c	6/43	-8/18	c
Detroit	5/41	-2/29	pc	4/39	2/35	pc
Honolulu	29/84	21/70	pc	30/86	22/71	pc
Houston	21/70	16/61	r	19/66	12/53	sh
Los Angeles	22/71	9/48	s	18/64	9/48	s
Miami	26/79	18/64	pc	26/79	20/68	pc
Minneapolis	1/34	-7/20	pc	2/35	-5/24	pc
Montreal	-1/31	-6/22	sf	-2/29	-9/16	pc
Nassau	23/73	20/68	pc	24/75	20/68	pc
New York	8/46	2/35	sh	8/46	2/35	pc
Phoenix	17/62	7/44	pc	17/62	6/43	pc
San Fran	14/57	6/43	pc	13/55	6/43	pc
Seattle	8/46	3/37	c	9/48	4/39	pc
Toronto	2/35	-4/25	pc	2/35	1/34	pc
Washington	12/53	1/34	sh	12/53	2/35	pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice.

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RELIGIOUS SERVICES

AMSTERDAM

CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:30 a.m. / Kids Welcome. De Cuserstraat 3, S. Amsterdam Info. 02940-15316 or 02503-41399.

DUSSELDORF

CHRIST CHURCH (Anglican) S.S. and Services 11:00, All Denominations are welcome. Rotterdam Str. 135, Tel. 0211/452759

FRANKFURT

CHRIST THE KING. (Episcopal/Anglican). Sebastian-Rinz-str. 22, U3 Miquel-Allee. Sunday Holy Communion: 11 a.m., Sunday School and nursery: 10:45 a.m. Christmas Services: Dec. 24 family Communion 6 p.m., Musical Prelude and Midnight Eucharist 10:30 p.m., Dec. 25 Holy Communion 11 a.m. The Revd. David Ratcliff (069) 55 01 84.

IMMANUEL BAPTIST CHURCH, Hernandez de Tejada, 4. English Services 11 a.m. - 7 p.m. Tel: 407-4347 or 302-3017.

MUNICH

INTERNATIONAL COMMUNITY CHURCH, Evangelical, Bible Believing, services in English 4:15 p.m. Sundays at Emhuber Str. 10 (U2 Theresienstr.) (089) 850-8617.

PARIS and SUBURBS

THE AMERICAN CATHEDRAL (Episcopal-Anglican). Sun. 9 & 11 a.m. Sunday School for children and nursery care at 11 a.m. 23 ave. George V, Paris 8. Tel.: 47 20 17 92. Metro: George V or Alma-Marceau.

HOPE INTERNATIONAL CHURCH (Evangelical & for everyone). Sun. 9:30 a.m. with children's SS. C.N.I.T. Conference Center at PARIS-LA DEFENSE. Metro RER (A) La Défense. Tel.: 47.75.14.27. or 46.21.24.22.

SAINT JOSEPH'S CHURCH (Roman Catholic). Masses Sat. Evng. 6:30; Sun. 9:45, 11:00 a.m., 12:15, 6:30 p.m. 50 avenue Hoche, Paris 8th. Tel.: 42.27.28.56. Metro: Charles de Gaulle - Etoile.

MONTE CARLO

INT'L FELLOWSHIP, 9 Rue Louis Notari, Sunday School 9:45, Sunday Worship 11 a.m., Special Christmas Service Sunday evening at 17:00 Cantata entitled "The Story of Christmas." Tel.: 93.25.51.51.

TOKYO

ST. PAUL INTERNATIONAL LUTHERAN CHURCH, near Iidabashi Stn. Tel.: 3261-3740. Worship Service: 9:30 a.m. Sundays.

EUROPEAN BAPTIST CONVENTION

ATHENS

TRINITY BAPTIST CHURCH, 58, Vouliagmenis Ave. An international church with services in English. Bible study at 9:45, worship at 11:00 a.m. and 7:30 p.m. Sundays. Located on main avenue south near exit to airport, across street from Water Tower. Dr. Charles Bradshaw, pastor. Tel.: 962-2665. 1900. Tel.: 030-774-4670.

BERLIN

BERLIN BAPTIST CHURCH, Rothenburgstr. 13, 1000 Berlin 41, SS 1045, W 1200 + 1900 Tel.: 030-774-4670.

BONN/KÖLN

THE INTERNATIONAL BAPTIST CHURCH OF BONN/KÖLN, Rheinau Stra. 9, Köln. Worship 1:00 p.m. Calvin Hogue, Pastor. Tel.: (02236) 47021.

BRUSSELS

INTERNATIONAL BAPTIST CHURCH of Brussels welcomes you to join our English-speaking, Christ-centered fellowship with an active Youth Ministry located near the international airport. Sunday School and Bible Study 9:45 a.m. Worship Service 11:00 a.m. and 6:00 p.m.-Lange Eikstraat 78, 1970 Wezembeek-Oppem, 02/731.12.24-Pastor Ulrich Dolder.

BUDAPEST

International Baptist Fellowship. II Bimbo u. 56 (main entrance Topolcsanyi u. 7, immediately behind front entrance). 10:30 Bible study. 6:00 p.m. Ray Reynolds, pastor. Tel.: 115 8759 & 115 6116. Reached by bus 11.

DARMSTADT

DARMSTADT/EBERSTADT BAPTIST MISSION. Bible study & Worship Sunday 10:30 a.m. Stadtmission Da-Eberstadt, Bueschelstr. 22. Dr. Brian Everett, pastor. Tel.: 06187-91683 (pastor) & 06151-68702 (deacon).

DÜSSELDORF

INTERNATIONAL BAPTIST CHURCH. English, s.s. 10:00, worship 11:05. Children's church and nursery. Meets at the International School, Leuchtenburger Kirchweg 2, D-Kaiserswerth. Friendly fellowship. All denominations welcome. Dr. W.J. Delay, Pastor. Tel.: 0211/400 157.

FRANKFURT

INTERNATIONAL CHRISTIAN FELLOWSHIP Evangelisch-Freikirchliche Gemeinde, Bodenerstr. 11-18, 6380 Bad Homburg, phone: 06134-23278 or 06196-643350 serving the Frankfurt and Taunus areas, Germany. Sunday worship 09:45, nursery + Sunday-school 10:00, women's circle - Friday 09:30. Housegroups - Sunday + Wednesday 19:30. Pastor M. Levey, member European Baptist Convention. "Declare His glory amongst the nations."

BETHEL INTERNATIONAL BAPTIST CHURCH, Am Dachsberg 92, Frankfurt a.M. Sunday worship 11:00 a.m. and 6:00 p.m., Dr. Thomas W. Hill, pastor. Tel.: 069-549559.

HAMBURG

INTERNATIONAL BAPTIST CHURCH OF HAMBURG meets at TABEA FESTHALLE, Am Isfeld 19, Hamburg-Osdorf. Bible Study at 11:30 & Worship at 12:30 each Sunday. Tel.: 040/820616.

HOLLAND

TRINITY BAPTIST S.S. 9:30, Worship 10:30, nursery, warm fellowship. Meets at Bloemcamplaan 54 in Wassenaar. Tel.: 01751-78024.

KRAKOW

INTERNATIONAL BAPTIST FELLOWSHIP, ul. Wyspianskiego 4. First Sunday each month. 6:00 p.m. Gustaw Ciesler, coordinator. Tel.: 33 23 05 + 66 49 32.

MADRID

IMMANUEL BAPTIST, CHURCH, Hernandez de Tejada, 4. English Services 11 a.m. 7 p.m. Tel.: 407-4347 or 302-3017.

MUNICH

INTERNATIONAL BAPTIST CHURCH OF MUNICH, Holzstr. 9 English Language Services. Bible study 16:00. Worship Service 17:00. Pastor's phone: 690 8534.

PARIS and SUBURB

EMMANUEL BAPTIST CHURCH, 56 Rue des Bons-Raisins, Rueil-Malmaison. An evangelical church for the English speaking community located in the western suburbs. S.S. 9:45; Worship: 10:45. Children's Church and Nursery. Dr. B.C. Thomas, pastor. Call 47.51.29.63 or 47.49.15.29 for information.

INTERNATIONAL BAPTIST FELLOWSHIP. 6:30 p.m., 123 av. du Maine, M° Gaîté. Near the Tour Montparnasse. The evening service of Emmanuel Baptist Church. Call 47.51.29.63 or 47.49.15.29.

WUPPERTAL

International Baptist Church. English, German, Persian. Worship 6 p.m., Friedenshort 64, Wuppertal - Ronsdorf. All denominations welcome. Hans-Dieter Freund, pastor. Tel.: 0202/4698384.

ZURICH

INTERNATIONAL BAPTIST CHURCH of Wädenswil (Zürich), Switzerland, Rosenbergstrasse 4. Worship Services Sunday mornings 11:00. Tel.: 1-252 6222.

EUROPEAN UNITARIAN UNIVERSALISTS

BRUSSELS meet 2nd Sun. each month, Brussels. (32) 65-36-45-70.

COPENHAGEN tel.: (45) 42-89-4184.

FRANKFURT/WIESBADEN meet every Sunday at 1 p.m., Lindsay Air Station, Wiesbaden. (49) 611-5629-03.

GENEVA/BERN tel.: (41)-31-4438-08.

MUNICH meet 4th Sun. each month at 11 a.m. Building 311, room A4, Perlacher Forst Housing Area, Munich. (49) 89 -690-2036.

NETHERLANDS meet 4th Sunday each month at 11 a.m., International House, Rapenburg 6, Leiden. (31) 2946-1962 or (31) 71-121085 evenings.

ASSOC. OF INT'L CHURCHES IN EUROPE & MIDEAST

BERLIN

AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9:30 a.m., Worship 11 a.m. Tel.: 030-8132021.

BONN

AMERICAN PROTESTANT CHURCH, Sunday School 9:30 a.m., worship 11 a.m., Kennedy Allee 150. Tel.: 0228 - 37 41 93

BRUSSELS

THE INTERNATIONAL PROTESTANT CHURCH OF BRUSSELS, Sunday School — 9.30 a.m. and Church — 10:45 a.m. Kattenberg, 19 (at the Int. School). Tel.: 673.05.81. Bus 95. Tram 94.

BUDAPEST

INTERNATIONAL CHURCH OF BUDAPEST Worship service Sunday morning at 10:30 BUDA CULTURAL CENTER, Dist. I, Corvinter 8 Glen Howard, Pastor, (36-1) 176-4518 Mail address: Box 64, Budapest 1363.

COPENHAGEN

INTERNATIONAL CHURCH of Copenhagen, 27 Forvergade. Vartov, near Rådhus. Study 10:15 & Worship 11:30. Jack Hustad, Pastor. Tel.: 31 62 47 85.

FRANKFURT

TRINITY LUTHERAN CHURCH, Nibelungen Allee 54 (U-Bahn 5), Sunday School 9:30, worship 11 a.m. Tel.: (069) 599478.

GENEVA

EV. LUTHERAN CHURCH of Geneva, 20 rue Verdaine. Sunday worship 11:00. Tel: (022) 20.50.89.

ISTANBUL

UNION CHURCH mtg in the Dutch Chapel at Netherlands consulate on Istiklal Cad. Sun. 9:30 & 11:00. Tel.: (90-1) 144-5212.

LONDON

AMERICAN CHURCH in London at 79 Tottenham Court Road, London W1, SS at 9:45 a.m. & worship at 11 a.m. Goodge street tube; Tel: (01) 580 2791.

INTERNATIONAL COMMUNITY CHURCH services at Ryders School, Hersham, Surrey. Sunday School at 9:45 and Worship at 10:45 a.m. Active Youth Program. Tel.: (0932) 868283.

MOSCOW

MOSCOW PROTESTANT CHAPLAINCY, Anglo-American School, Leninsky Prospekt 78. S.S. 10 a.m., Worship 11 a.m. Tel.: 143-3562.

OSLO

American Lutheran Church, Fritznersgt. 15 Worship & Sunday School 11 a.m. Tel.: (02) 44.35.84.

PARIS

AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or Invalides.

STOCKHOLM

IMMANUEL CHURCH, Kungstensg. & Birger Jarl. Friendly Christian fellowship. English, Swedish & Korean. 11:00. Tel.: 46-8 151225 & 309803.

WARSAW

WARSAW INTERNATIONAL CHURCH, Protestant English language expatriates, Sundays 11:00 a.m. (Sept.-May). 10 a.m. (June-Aug.); Sunday School 9:55 (Sept-May) UL. Miodowa 21. Tel.: 43-29-70.

ZURICH

INTERNATIONAL PROTESTANT CHURCH English speaking, workship service, Sunday School & Nursery. Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2625525.

U.S. to Lift Sanctions On China

The Step Affects Electronic Gear

By Jim Mann
Los Angeles Times Service

WASHINGTON — In a move intended to ease the relatively tense climate between the United States and China, the Bush administration has decided to lift the sanctions it imposed last spring on the sale of American satellite parts and high-speed computers to China, according to an administration official.

President George Bush had announced the imposition of the sanctions last spring during the same speech at Yale University in which he said he had decided to renew China's most-favored-nation trade benefits. Mr. Bush said at the time that the sanctions were being imposed for reasons of national security.

By eliminating the sanctions, the administration will meet the condition China set for its willingness to abide by the international agreement that restricts the export of missiles. During Secretary of State James A. Baker 3d's trip to Beijing last month, Chinese officials said that they would abide by the agreement, known as the Missile Technology Control Regime, only if the United States lifted the ban on the sale of computers and satellite parts.

At that time, Mr. Baker made no commitment. "This is a matter that we will be examining further in Washington," he said in Beijing. But the State Department notified Congress this week that it intended to lift the sanctions.

With China's commitments on missile technology, the sanctions "will have served their purpose and helped realize an important success" for American foreign policy, the State Department told the Senate Foreign Relations Committee.

The announcement that the sanctions will be lifted came in a letter from Janet G. Mullins, assistant secretary for legislative affairs, to Senator Jesse Helms, Republican of North Carolina, ranking minority member of the Senate Foreign Relations Committee.

"Once we receive China's diplomatic confirmation of the substance of the talks in Beijing, we expect to take the steps necessary to lift the sanctions," Miss Mullins wrote.

Miss Mullins emphasized that the action "will not, of course, make China immune from future sanctions" if China enters into new sales of dangerous missiles or missile technology. The action also does not affect the few other remaining sanctions the United States is maintaining against China.

After China's 1989 crackdown on pro-democracy demonstrations in Tiananmen Square, in which hundreds and perhaps thousands of people were killed, the administration imposed broad sanctions against China. Those included a ban on high-level visits or exchanges, a withdrawal of U.S. support for World Bank loans to China, and a ban on U.S. military sales to China or exchanges between high-level military officials of the two countries.

In the last two and a half years, most of these prohibitions have been lifted or substantially watered down. The ban on high-level visits, for example, was in effect ended when Mr. Baker visited Beijing last month. "Unless we were to keep United States-China relations in the deep freeze forever, we had to start talking," the secretary of state said.

The restrictions on U.S. military sales to China, however, and on contacts between top-level military officials of the two countries remain in effect.

Paula Scully/The Associated Press

DRIVING AMBITION — Golf balls bearing the images of George Bush, Dan Quayle and David Duke on display at Golfshots, a Watertown, Massachusetts, company. John Smiroldo, the company's president, works the ball-printing machine in the background.

AMERICAN TOPICS

The Census Shows Natives Are Restless

Nearly half of the U.S. population, historically one of the world's most restless peoples, changed dwellings from 1985 to 1989, with 18 percent, nearly one in five households, pulling up stakes in 1989 alone, according to the federal Census Bureau.

In the nearly three decades from 1960 to 1989, more than 91 percent of U.S. households moved, the report said. That means Americans are about twice as likely to move as people in such other industrial countries as France, Japan or Britain.

Larry Long, a Census Bureau demographer, said his research showed that people in Canada, Australia and New Zealand were about as mobile as Americans.

"The higher rates of moving seem to be derived from the fact that they're all immigrant countries," he said. "Everybody who arrives in these countries has an experience with moving around, and surely people who have crossed an ocean find internal movements to be relatively easy."

But the long-term trends indicate that mobility in American society has slowly declined since 1948, when the annual moving rate was slightly more than 20 percent. Demographers said they expected the steady downturn in mobility rates to continue, at least in the short run, in large part as a result of the current recession.

Short Takes

There will be a U.S. pavilion after all at the World's Fair next year in Seville, Spain. With the approval of key members of Congress, the U.S. Information Agency has switched $5.6 million of its funds, to be repaid by canvassing private donors, to the fair fund. That amount, added to $7.4 million already raised from private donors and $13 million originally appropriated by Congress, will assure a U.S. presence at the fair.

Ten classic toys and the years they first went on sale, as listed by the Los Angeles Times: Barbie 1959, Etch-a-Sketch Magic Screen 1959, Play-Doh 1956, Mr. Potato Head 1952, Candyland 1949, Lego Building Bricks 1947, Lincoln Logs 1924, Raggedy Ann and Raggedy Andy 1916, Tinkertoys 1913, Lionel electric trains 1906.

Six weeks after General Merrill A. McPeak, the air force chief of staff, unveiled a new uniform designed to make officers and enlisted personnel "look more like airmen," the airmen have spoken. The privately owned Air Force Times said it had polled readers and got a six-inch stack of letters, most of them negative. The response of Master Sergeant David A. Highlands, retired, was typical: "We will all look like stewards from 'The Love Boat,' " a long-running television series. General McPeak conceded that "air force people are very frank with their views" and said that the new uniforms were only a preliminary design.

The Nature Conservancy has negotiated the purchase of more than 80,000 acres (32,000 hectares) of Ozarks woodlands for $10 million and will sell the land at cost to the state of Missouri. The purchase, made in conjunction with the state Department of Conservation, will protect more than 126 square miles (about 325 square kilometers) in the watershed of the Current and Jacks Fork rivers in southern Missouri. It is the largest parcel of land ever purchased in Missouri for ecological purposes. The conservancy is a private group organized nationwide.

A convicted forger escaped from the Pima County jail in Tucson, Arizona, by having an accomplice fax a forged release order to the jailers. The error was discovered three days later when the court inquired why the forger, Jean Paul Barrett, 26, had not appeared at a hearing. He was serving a 33-year sentence for forgery and fraud.

Arthur Higbee

Wrapping Up the Rape Case

Accuser Reveals Her Identity and Sticks to Her Story

By Howard Kurtz
Washington Post Service

WASHINGTON — Patricia Bowman, who accused William Kennedy Smith of rape, says she decided to reveal her identity because she was "terrified" that future rape victims would not report such assaults "because of what's happened to me."

In an interview broadcast Thursday night on ABC television, Ms. Bowman said that she had been sexually abused as a child but that it had "never been a problem for me."

She acknowledged having been an occasional user of cocaine but said she had not used drugs for more than a year. And, she said, "I wasn't promiscuous."

Ms. Bowman, 30, stuck to her allegation that Mr. Smith raped her at the Kennedy estate in Palm Beach, Florida, on March 30, an account rejected by the jury that acquitted Mr. Smith in 77 minutes Dec. 11.

Ms. Bowman called Mr. Smith "ruthless" and criticized what she called a public relations campaign to portray him sympathetically.

"Each and every morning, each and every day at noon, and every day from 5 to 7, and in each and every newspaper, I had to see the face of the man who raped me," she said. "That's hard. Then I had to see the face of the man who raped me change into a man with a puppy, a man kissing schoolchildren."

Asked about inconsistencies in her story, such as her failure to remember where she had taken off her panty hose before the alleged assault, Ms. Bowman said: "If I was going to contrive a testimony, don't you think I would have filled in the memory lapses? Do you think I would have come up with an explanation for that?"

She dismissed suggestions that she may have signaled a willingness to have sex by accompanying Mr. Smith home after meeting him at a Palm Beach nightclub after midnight. "So that I was out at 3 o'clock in the morning, does that mean that he has the right to rape me?" she asked.

Ms. Bowman said she was going public in part to rebut a suggestion by Mr. Smith's lawyer, Roy E. Black, that she is mentally disturbed. She also praised the prosecutor, Moira K. Lasch, whose performance has been widely criticized, as "brilliant."

"I'm not a blue blob," Ms. Bowman said, referring to the electronic device that CNN used to hide her face during broadcasts of the trial. "I'm a human being. I have nothing to be ashamed of."

Grand Jury Clears Kennedy Friend Of Obstruction of Justice Charges

New York Times Service

MIAMI — In an action that resolves the last major legal issue remaining from the rape case involving William Kennedy Smith, a grand jury that had been investigating possible obstruction of justice charges declined Thursday to issue an indictment.

The grand jury had been looking into accusations that William Barry, a Kennedy family friend who was staying at the family's Palm Beach estate on Easter weekend, misled police responding to a complaint by Patricia Bowman that Mr. Smith had raped her at the compound. Mr. Smith was acquitted of rape and battery charges on Dec. 11.

The grand jury decision indicated that there was not enough evidence to pursue a complaint against Mr. Barry, who is a New York security consultant, or anyone then at the estate.

"Without any new evidence coming forward, this case is over," State Attorney David Bludworth said in West Palm Beach.

The Palm Beach police chief, Joseph Terlizzese, had maintained that Mr. Barry deliberately misled police officers when they first went to the Kennedy estate on March 31 and asked to speak to family members.

U.S. Appeals Court Clears the Way For the Repatriation of Haitians

By Al Kamen
Washington Post Service

WASHINGTON — A federal appeals court in Atlanta has cleared the way for the Bush administration to begin the forced repatriation of thousands of Haitian refugees.

It was the second time this week that the 11th U.S. Circuit Court of Appeals had overturned rulings by a federal district court judge in Miami to block the deportations temporarily.

Human-rights lawyers said they would continue to try to prevent the return of most of the 6,000 Haitians now housed in a makeshift camp at the U.S. Naval Station at Guantánamo Bay, Cuba.

But a lawyer familiar with the litigation said that barring a major breakthrough, the latest ruling on Thursday night "was the beginning of the end" of a monthlong judicial hold on the administration's forced repatriation policy. "I'm afraid the Haitians are going to be home for Christmas," he said.

Judge C. Clyde Atkins of U.S. District Court has scheduled a new hearing on the matter, said Robert Juceam, a New York lawyer representing the Haitians.

"For those repatriated, there is no possibility of a second chance," he said, adding that he still hoped to win in the courts. Mr. Juceam called on the administration to "hold off repatriation until the tangled legal web" is sorted out.

But top military and civilian officials said that in the absence of a legal impediment, the administration would swiftly move to return all the Haitians who do not qualify for political asylum — about 80 percent of the more than 6,000 at Guantánamo — and to close the refugee-processing center at Guantánamo Bay.

A senior military officer monitoring the operation said the plan was to take about 250 refugees a day from Guantánamo by sea to Port-au-Prince. If that effort goes smoothly, other Haitians will be airlifted, he said, indicating that the military is eager to begin repatriation because it is convinced the only way to stem the flow of Haitians is to make it clear they will be sent back.

Scientists Cite Pressure Over DNA Tests

By Gina Kolata
New York Times Service

NEW YORK — In a development that scientists warned could stifle open debate, a researcher says, he was pressured by a federal prosecutor to withdraw a paper about to be published in a scientific journal because it could damage criminal prosecutions involving a new genetic test.

The test, known as DNA fingerprinting, has been widely hailed as a revolutionary forensic tool that takes some of the uncertainty out of criminal convictions. It relies on the fact that people have distinct patterns in the chemical strings that make up DNA, the genetic material in their cells.

Although the technique has been widely used in the courts, some scientists have criticized the way it is being applied in practice. A number of them said that the latest action was part of a pattern of intimidation and harassment aimed at dissenting scientists, particularly those who testify for the defense in criminal trials.

For example, one foreign scientist, being cross-examined about scientific issues by a lawyer who works for the FBI, said he was suddenly asked about the status of his visa. The scientist, Simon Ford, who is British, said that harassment had discouraged him from testifying in future trials.

Another scientist, Laurence Mueller of the University of California at Irvine, said he had been advised by a federal prosecutor that he had better get a driver's license because the Oakland jail was not a good place to spend the night. Others say they have been called by FBI agents and told how damaging it would be for the prosecution if they testified for the defense in criminal trials involving DNA evidence.

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Most scientists say that DNA fingerprinting should be effective, in theory. But critics say that in practice the technique can produce misleading results. Among the problems, they say, is that DNA is often taken from blood or semen stains that have been degraded by bacteria. Also, laboratories can have high, and undetected, error rates in doing the tests. And for comparison purposes in forensic tests, the FBI uses population groups that are not necessarily similar to defendants. In one case, the reference population of white men was about 250 FBI agents.

According to William Thompson, an associate professor of criminology, law and society at the University of California at Irvine, the problem is that under legal rules in many states, DNA evidence cannot be used unless the state establishes that there is a consensus among scientists that it is valid.

"The problem that promoters of DNA evidence have is that it is not generally accepted," Mr. Thompson said. "There are an awful lot of scientists who are critical. The courts are not supposed to decide who is right or wrong. They are only supposed to decide if there is a dispute. So the prosecutors are telling the courts that the critics are unethical, that they are charlatans, that they are bad."

In the latest incident, the researcher, Daniel Hartl of Washington University in St. Louis, said he had been pressured by a federal prosecutor, James Wooley, to withdraw an article that was published Friday in the journal Science.

Mr. Hartl and his co-author, Richard Lewontin of Harvard University, said they were forced by the journal's editor at the last minute to soften their conclusions that the statistical basis for calculating the accuracy of DNA fingerprints was fatally flawed.

In an unusual action, the article was delayed while the journal solicited a rebuttal. The rebuttal, which is being published along with the article, denies every point made by the critics.

Legal experts said they were concerned about what they described as an unethical pattern of intimidation aimed at scientists.

"This has me very upset," Mr. Thompson said. "I've never seen anything like this before."

Paul Gianelli, a law professor at Case Western Reserve University, agreed, saying, "It's very disconcerting."

But prosecutors who are accused of harassment say their words and actions are being misunderstood, perhaps purposely. Mr. Wooley said, for example, that he had done nothing wrong. The prosecutor who mentioned Mr. Mueller's driver's license, Rockne Harmon, senior deputy district attorney of Alameda County, California, said that he had been joking.

John Hicks, assistant director in charge of the laboratory division at the FBI, said that there was "an intellectual dispute" about DNA fingerprinting. But he said he knew nothing about harassment and added, "I find it hard to believe."

Salvador Rebels Down Honduran Copter by Mistake

The Associated Press

SAN SALVADOR — Salvadoran guerrillas shot down a Honduran military helicopter by mistake, and all nine soldiers aboard the aircraft died, rebel radio reported.

The Farabundo Martí National Liberation Front said on its clandestine Radio Venceremos that the Honduran helicopter flew over a battle zone on Thursday some 14 kilometers (about 8.5 miles) into Salvadoran territory "at treetop level in a provocative attitude."

The rebels presumably believed the UH-1H helicopter, which was equipped with two .30-caliber machine-guns, was a Salvadoran aircraft intending to support government forces who are fighting guerrilla troops.

The rebels said they "lamented the incident" and expressed condolences to the families of those killed.

They called on the Honduran high command to refrain from violating Salvadoran airspace.

The downing of the helicopter came as Salvadoran government and guerrilla negotiators pursued peace talks at United Nations headquarters in New York.

It occurred a month into a rebel truce that has significantly reduced, but not halted, combat in the 12-year-old civil war.

Simone Beck, 87, Dies, French Cooking Writer

Agence France-Presse

PARIS — Simone Beck, 87, co-author of a U.S. bestseller on French cooking, died at her home at Châteauneuf-de-Grasse, in southern France, her family announced Friday.

Miss Beck, in collaboration with Julia Child and Louisette Bertholle, published the famous "Mastering the Art of French Cooking" in 1961.

Earlier this year, she published another food lovers' guide under the title "Food and Friends."

Francis Lara, 66, Ex-Chief Editor of AFP

PARIS (AFP) — Francis Lara, former chief editor of Agence France-Presse, died in Paris on Thursday. He was 66 years old.

Mr. Lara spent much of his career in the United States, where he headed the AFP bureau in Washington from 1960 to 1971.

He joined AFP in London in 1946, just after the war during which he served in the 2d Armored Division of the Free French forces.

He was bureau chief in Hong Kong (1954-1960) — where he also headed the foreign press association — was special correspondent in Beijing, then chief of the Washington and Rio de Janeiro bureaus (1971-1973).

He became news director (1982) and deputy general manager (1983).

■ *Other deaths:*

Joseph R. Smallwood, 90, celebrated among Canadians as the man who led Newfoundland and Labrador into the Canadian confederation in 1949 from their previous status as a British colony, on Tuesday near Saint John's, the Newfoundland capital.

Charles A. Levine, 94, who became aviation's first trans-Atlantic passenger in 1927 when he sponsored an attempt to beat Charles A. Lindbergh to Europe, on Dec. 6 in Washington.

John A. Blatnik, 80, who supported environmental and public works laws and led liberal causes in his 27 years as a Democratic Congressman from Minnesota, on Wednesday in Forest Heights, Maryland.

J. Max Bond Sr., 89, a retired American educator who was president of the University of Liberia in the early 1950s, on Sunday in Washington.

Marcelle Bunlet, 91, a leading Wagnerian soprano of the 1930s and 1940s and one of the few Frenchwomen to have performed at the Bayreuth Festival, on Friday.

10 India Police Die in Explosion In Rebel Region

The Associated Press

NEW DELHI — At least 15 people, among them 10 policemen, were killed when land mines exploded under a bus in a Marxist rebel stronghold in southern India, according to a report Friday.

Press Trust of India said the attack occurred Thursday in Andhra Pradesh state's Karimnagar district, where leftist guerrillas say they are fighting for land rights for poor farmers and tribespeople.

The policemen were traveling to a village where rebels and police officers had exchanged gunfire earlier in the day, Press Trust reported.

Remote villages in India usually are inadequately policed.

Since most police stations have no vehicles, policemen must use bicycles or public transportation, which leaves them vulnerable to hit-and-run attacks and ambushes.

Press Trust said the latest attack had occurred in Ramavaram, 1,125 kilometers (700 miles) south of New Delhi.

It said the land mines had been planted by the People's War Group, a Maoist guerrilla group that has considerable support among the population.

Most of the victims have been government officials and policemen, whom the rebels accuse of violating human rights.

The Parliament In Japan Stalls Bill on Troops

United Press International

TOKYO — Legislators voted Friday to end debate on a bill that would have allowed the regular dispatch of Japanese troops overseas for the first time since World War II, putting an end to a disappointing parliamentary session for Prime Minister Kiichi Miyazawa.

Legislators closed the 47-day special session of the Diet, Japan's parliament, one day ahead of schedule, voting to send their last piece of business to the next session in January.

Despite promises to pass the peacekeeping bill by session's end, Mr. Miyazawa was unable to push the legislation through, thus failing the first major test of his seven-week-old administration. The bill would have permitted Japan to send up to 2,000 troops to participate in United Nations peacekeeping operations.

The bill, a carryover from two previous sessions, had been considered all but passed as it entered the latest round of deliberation, but the inability of Mr. Miyazawa's Liberal Democratic Party to create a sufficient concensus among opposition parties resulted in a stalemate.

TRADE: *From Congress, a Challenge for Japanese*

(Continued from page 1)

House majority whip, David E. Bonior, also of Michigan.

The legislators insisted that their bill was not protectionist, that it sought only to force the Japanese to practice fair trade.

With an election year in the offing, both Democrats and Republicans are aware of the volatility of a sagging economy as a campaign issue. Nothing could have fixated politicians in Washington more than GM's announcement on Wednesday that it would close 21 plants in North America and eliminate 74,000 jobs.

"There's no sign of any mercy by the Japanese," Mr. Riegle said. "They become more predatory. It's like something with an appetite that can't be satisfied."

Japanese leaders are becoming uneasy about the outcome of the Bush trip, as the president, faced with declining popularity over the economy, feels himself under pressure to squeeze Japan.

A Japanese Foreign Ministry official in Tokyo said Friday that Prime Minister Kiichi Miyazawa had just sent a letter to mollify Mr. Bush over some trade issues.

The letter was in response to a note from Mr. Bush asking for Mr. Miyazawa's cooperation in settling three issues holding up progress in the Uruguay Round of the General Agreement on Trade and Tariffs, the official said.

"The prime minister sent a reply last night appealing for understanding of Japan's stance," the official said. "The letter explained our position on anti-dumping measures, intellectual property rights and financial services."

Speaking to the press about his coming trip, Mr. Bush said, "The mission that we will embark upon soon demonstrates that we will relentlessly pursue our mission to create jobs and restore prosperity for all Americans."

"I would say that the trip is to break down intransigence where we find it and have freer and fairer trade," he said. "And that message I will carry very, very forcefully."

Mr. Bush discussed the trip with U.S. business executives, several of whom said afterward that they believed that the administration was ready to take a tougher stand against foreign trade barriers.

"He wants to follow through very sternly," said Heinz Prechter, chairman of ASC Inc., a specialty vehicle maker based in Southfield, Michigan. He said Mr. Bush had told the group, "We want results."

"They have to open their markets, that's for sure," Lee Iacocca, the chairman of Chrysler Corp., said of the Asians.

Mr. Bush said conditions had improved for expanding American markets abroad. He suggested that growing American exports were among the few bright spots in an otherwise gloomy economic picture.

John Gorman, president of TRW Inc., agreed.

"The Japanese are more accepting of the fact that they've pushed this about as far as they can push it," he said. *(A.P., UPI)*

■ Scientific Contribution

An official of the governing Liberal Democratic Party said Friday that Japan had decided to contribute to the $8.25 billion superconducting supercollider to be built in Texas, The Associated Press reported from Tokyo.

A special party committee on scientific research agreed in a meeting Thursday that the project was meaningful and should be backed, said the party official, Eiichi Sugimoto.

The amount and timing of the contribution have not been decided, he said.

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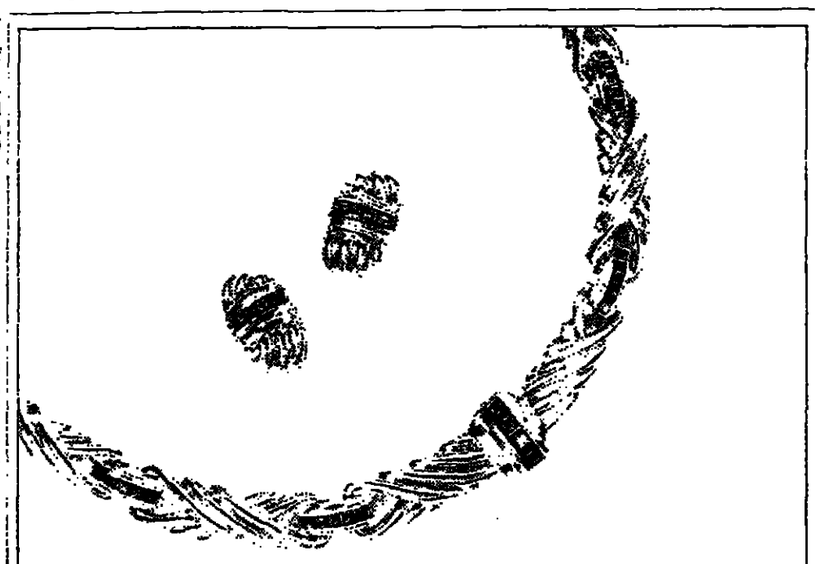

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OPINION

Two Nuclear Problems

There is not one nuclear problem in the former Soviet Union, there are two. The more immediate is loss of central control over thousands of strategic and tactical warheads. It was to spur the Bush administration to meet part of this problem that Congress appropriated $400 million to destroy Soviet weapons due for reduction by treaty or unilateral commitment. Secretary of State James Baker has been in the four republics with strategic missiles on their territory seeking promises to carry out those cuts. Key members of Congress are rightly pushing for more urgency. Getting a handle on the more dispersed and more easily diverted tactical weapons is one concern. Putting idled nuclear hands to useful work is another.

The second nuclear problem, however, could yet become dire: to ensure that in place of a single nuclear authority on Soviet soil, two or three or four or more do not emerge. This could happen if Ukraine, Byelorussia and Kazakhstan — the republics, with Russia, where strategic nuclear weapons are based — retain some of them; or if these or other republics retain tactical weapons. This would be proliferation with a vengeance. It would add instability to a region that is plenty uncertain without it.

U.S. policy supports development of the new Commonwealth of Independent States into something that would have a single military command — at the least a single strategic command — led by Russia, with all nuclear weapons deployed in Russia. This is the message Secretary Baker took to Ukraine, Byelorussia and Kazakhstan. President George Bush indicates that their response will weigh heavily in his decision on whether and when and with what resulting benefits to recognize the new states.

Ukraine and Byelorussia, victims of Chernobyl, seem to lean the Russian way. Kazakhstan, the one non-Slavic republic of the Big Four, seems not to. Still, Mikhail Gorbachev is right to note that there cannot be a unified command without a unified foreign policy — and, one might add, without a working consultative mechanism. The new commonwealth is not there yet, and the serious tensions and hesitations running within and among the republics threaten to slow the necessary progress. The United States remains impatient to lock in a single safe nuclear authority. It cannot afford to relax in pursuit of this goal.

— THE WASHINGTON POST.

Try Kicking the Mules

President George Bush's disappointment in the first round of Arab-Israeli peace talks will be generally shared. Never before had the bitter adversaries dealt directly with each other. Yet progress in Washington fell sadly short of hopes raised in Madrid. Six working days were devoted mostly to procedural squabbles and the restatement of stale demands. The one tangible result was Wednesday's agreement to resume talks early next month, probably in Washington.

Thus far, the most fitting symbol for the peace process is not a dove but a mule. If coaxing fails, Mr. Bush and Secretary of State James Baker should try a kick.

All sides can be blamed for ignoring the spirit and letter of agreements reached at the Madrid conference in October. There Israel agreed to negotiate directly and separately with Syria, Lebanon and a joint Jordanian and Palestinian delegation. But once in Washington, Palestinians insisted on meeting separately with the Israeli team, predictably provoking Israeli objections that this was the first step to an independent Palestinian state.

However exaggerated Israeli fears, the Palestinians were in fact breaching a preconference agreement. By doing so they abetted Israeli stonewalling on all other procedural disputes, especially about the venue of future talks.

Nevertheless a special burden falls on Prime Minister Yitzhak Shamir of Israel, and not just for his footdragging. While peace talks were under way a punitive curfew was imposed on West Bank Palestinians, Israeli hard-liners occupied Arab homes in East Jerusalem and Israeli warplanes struck at southern Lebanon.

Israel is in danger of squandering a historic opportunity for peace. Israeli governments have for years insisted they sought direct bilateral negotiations anywhere and at any time with their Arab neighbors. Mr. Baker has worked to meet Israeli conditions on the framework for negotiations and on Palestinian representation. An indigenous West Bank leadership now seeks what Israel has long offered — interim autonomy for three years, with no prior agreement on the ultimate status of occupied territories.

Israel has insisted that it wants no third-party mediation in its direct talks. Yet if the impasse continues, it asks too much of Mr. Bush and Mr. Baker merely to wring their hands. The collapse of communism and the war against Iraq have given the United States a timely opening for constructive diplomacy in the Middle East. A well-targeted kick would surely be justified to move all parties to the only place where peace can be achieved: the negotiating table.

— THE NEW YORK TIMES.

Remember the Workers

General Motors Corp. has decided that it is too big for its own good. Its announcement of job cuts and plant closings is an attempt to look far beyond the present bad year. GM acknowledges that it is unlikely to regain its former dominance of the North American market, and it is reorganizing to shed plant capacity that it will never need again. It intends to make itself profitable at lower production levels. That requires it over the next four years to cut nearly one of every five jobs and to shut 21 factories.

The company hopes to accomplish most of this reduction through attrition and early retirements rather than depending mainly on classic layoffs. It will not be as harsh a process as the collapse of a big company — Pan American World Airways, for example, which has suddenly left its employees without income, benefits or insurance.

GM and Pan Am have a lot in common. Both were for decades leaders in their industries. More than that, each was for a time a symbol of American supremacy in a field that it did much to create. GM is still an enormous company, the largest producer of automobiles in the world. But it is now in a strategic retreat. Pan Am, unhappily, is finished. Both companies were able, over the decades, to attract good people who were willing to invest their careers in them. Now, through a chain of events that no one could have foreseen, many of those careers are ended, and others are in jeopardy.

Sometimes governments try to prevent these misfortunes by interceding for big employers, bailing them out and suppressing competition. That is a dangerous practice, and it rapidly loads countries with expensive economic burdens. But any country as rich as the United States needs to ensure that when one of these ships goes down, the crew is not suddenly left stripped of the social protections it has earned over the years.

All the talk about the economic benefits of competition and efficiency is valid, but it is essential as a matter of simple decency never to overlook the costs to individuals at which these benefits are purchased. The United States does only a so-so job of reinsuring the victims of corporate shipwrecks. A high level of social insurance needs to be regarded as the necessary condition for strenuous competition, limiting the personal hardships imposed by companies' losses and failures. Auto workers are better protected than most. But, as in the Pan Am case, many Americans are suddenly discovering that they have less security than they thought possible.

— THE WASHINGTON POST.

Other Comment

Somalia: A Duty to Help

It is immoral for Africans to sit back and watch as Somalis slaughter one another. The fighting in Somalia cannot be dismissed simply as a Somali problem by Africans and by the Organization of African Unity. Surely the OAU can assemble a peace-keeping force to be dispatched to Somalia and convince the warlords to sit together at a conference table and talk. The OAU must act on Somalia now; the time to think about Africa's conflicts is now.

— The Daily Nation (Nairobi).

A Carteresque Idea

One of the worst ideas to come along for dealing with the U.S. recession is the drumbeat for a $300 tax rebate for most taxpayers. This is an inflated version of Jimmy Carter's ill-fated call for a $50 rebate.

The quick-fix approach has gained currency among four of the six Democratic candidates for president — despite overwhelming evidence that it would boost the deficit close to 10 percent and spook the financial markets without giving the economy the long-term sustaining power it needs.

What is dismaying is the support this Carteresque idea is getting among various factions in the panicky Bush White House.

The Federal Reserve, in our view, should make its next cut in interest rates a rouser — one that will produce real savings on interest costs for the Treasury and encourage industry to increase its anemic investment plans. Such a move might restore some confidence in the future.

— The Baltimore Sun.

Speak Out for Rushdie

When Western leaders go to great lengths to win the release of the last Western hostages in the Middle East, it is done not so much for the life and liberty of the hostages, but in consideration of the international political scene. Incredibly, Salman Rushdie remains imprisoned in the Western world, not just by Muslim fundamentalists but by Western indifference toward him and the principles he tries to uphold. The only way to get him released is to take a stand along with him. Speak out where the politicians keep silent. Remind people that free speech is life itself.

— Information (Copenhagen).

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To Avert Nuclear Chaos in the Soviet Rubble

By Charles Krauthammer

WASHINGTON — American policy toward the FSU (former Soviet Union) is driven above all by fear of nuclear instability. This is an eminently rational fear. But the answer will not be found in insisting on centralized control of these weapons throughout the FSU.

Centralized control is either impossible now or achievable only by reimposing a Russian empire on the old Soviet empire. The latter solution is hardly going to be accepted by the newly independent republics. And it is hardly in America's interest for Russia to inherit the hegemony that Moscow central once had.

The central controls now being jerry-built are at best interim because the new Commonwealth of Independent States is nothing more than a transitional arrangement. Boris Yeltsin sees it as a transition to a stronger union with Russia leading. Ukraine, for one, sees it as a transition to full independence. Ukraine has already claimed control of all nonnuclear Soviet forces on its territory, including air, naval, air defense and ground forces. Mr. Yeltsin told Secretary of State James Baker on Monday that all such strategic forces will be under central (commonwealth) control.

They may paper this one over, but with such fundamental schisms appearing already, it is clear that the commonwealth is going to prove unstable. Which is why the United States had better avoid placing all its hopes on the commonwealth, as it did for so long with such obstinacy on Mr. Gorbachev's old union.

Better to recognize that the old empire is now 12 independent states and to begin to distinguish between them with a policy of (to use the Soviet scholar Dimitri Simes's term) differentiation.

First, there is Russia. Russia alone is a regional power today and potential superpower tomorrow. The others, apart from their nuclear weapons, are mere former colonies, comparable in weight to the newly liberated states of Eastern Europe. Russia is the only state whose fate will determine the future of Eurasia. It is therefore the only state that requires a full U.S. commitment to total democratization and pacification.

How? Aid and trade, of course. But beyond economics, the best idea yet comes, characteristically, from an old anti-Soviet hard-liner, Fred Ikle. He proposes *(IHT, Dec. 16)* going beyond mere cordiality to actual alliance, embracing the Russian military within an American-Russian Defense Community. The point for the United States, as for postwar France vis-à-vis de-Nazified Germany, is to ensure that a de-communized rival not reappear as a geopolitical adversary.

Then, there are the non-Russian republics. The stakes here are not nearly so high. The other republics may once have been Soviet but that should not fool us as to their importance. They are weak, peripheral, and of interest for one reason: nuclear weapons.

It would be nice if they democratized. America should encourage it. It would be nice if they lived in brotherly accommodation with one another. America should encourage that too. But one thing America must insist upon absolutely: that they get rid of their nuclear weapons.

The United States has leverage. These are dependent states desperately in need of Western economic aid, technical assistance and diplomatic support. They need America, too, as a counterweight to Russian power. The United States should make everything they want from it dependent on their willingness to disarm.

In his Princeton University speech, Secretary Baker began differentiating among the republics. He threatened to isolate Georgia for its authoritarianism and Azerbaijan for its militarism. This is the right idea — hardball politics with minor powers, using America's superpower position to steer their policies. But Washington will dissipate its influence if it continue to insist on a laundry list of demands, which now includes democracy, minority rights and assuming a share of Soviet debt.

These are all desirable goals. But the nuclear issue is an emergency. While the situation remains fluid, there is a chance to denuclearize the republics. But the situation will not remain fluid for long. Once a new post-Soviet structure congeals, no remaining nuclear republic will denuclearize, any more than France or China will today.

In the long run, central commonwealth control is no answer. Indeed, the longer it persists, the more Kazakh and Ukrainian and Byelorussian nuclear arms will acquire permanency and legitimacy. And as soon as central control breaks down, as it must, we will be left with three new intercontinental nuclear powers, three permanent strategic worries for America and the world. Already Kazakhstan says it will not give up its nuclear weapons until Russia does, which means never.

Time for hardball. First, Washington should declare that (apart from Russia) America will recognize only those republics that unequivocally renounce nuclear weapons. Second, declare that the provision of aid, favorable terms of trade, and other goodies will hinge on carrying out the nuclear pledge. In sum, a simple policy: For those republics that denuclearize, everything; for those that don't, nothing.

Washington Post Writers Group.

The Quiet Observations Of a Man on the Verge

By A. M. Rosenthal

MOSCOW — Mikhail Gorbachev is talking in his Kremlin chambers — talking courteously, gracefully and forcefully for an hour about himself and his country, mustering the strength to act as if his life, power and nation were not shattering around him.

He acts as if he does not know that he has bitter enemies who are waiting for him to leave the Kremlin's protection, some of them waiting in prison. But of course he must know.

He says important things that he has not said before except to his intimates. He says he has accepted the verdict of the people and the republics that a commonwealth — not a state, not a nation, but a concept — will replace the country he ruled. But he wants a role in it; he says he can help. He says he does not believe dark dictatorship will return. But then he says calmly that authoritarianism may be necessary to prevent destabilization.

As he talks, he knows what his visitors do not — that within hours he will sit down with the man who wants to drive him from that suite of offices forever, Boris Yeltsin is coming. Mr. Yeltsin's message is that all that remains for him is a pension.

Sitting around his table are about 25 Russians, other Europeans, and Americans attending a conference on "The Anatomy of Hatred" — a title encompassing xenophobia, racism, anti-Semitism, religious fanaticism. It has been organized by the respected magazine Ogonyok and by one of the few men for whom Mr. Gorbachev and other holders of high office always find time — Elie Wiesel, Nobel Peace Prize laureate.

Listening to Mr. Gorbachev, I think of somebody else, a former KGB general who had unexpectedly appeared at the conference. Major General Oleg Kalugin gave a little talk on fighting hatred, which coming from any top officer of the KGB, present or former or perhaps in between, did not move me, except to slight nausea.

In September the general appeared on the "MacNeil/Lehrer" television program. He said something so important that I took a transcript with me to Moscow. There the general suddenly was, so I read out a passage in which he said he had "certain reasons" to believe that the KGB "may have something about Gorbachev, which we do not know yet exactly what" but that might make him "dependent" on the KGB or "vulnerable" to it.

The general said that one day it might be used against Mr. Gorbachev by the KGB — particularly by its former chairman, Vladimir Kryuchkov, now in a cell awaiting trial as a member of the three-day coup. The general said that Mr. Kryuchkov did know exactly what.

The democracy-loving general said he still thought that would happen. His tone was, just wait and see. In any case, the assumption here is that the coup-makers, all appointed by Mr. Gorbachev, will not go quietly to life imprisonment without trying to take him along.

By TOM in Trouw (Amsterdam). CSW Syndicate.

Also — talk is around about Mr. Gorbachev being summoned to testify about scores of billions of dollars in foreign loans or credit that have disappeared. That is not just a threat but a justified legal step that could be blocked only by former Communist politicians of the commonwealth who might not want to be asked too many questions themselves.

But in Mikhail Gorbachev's private meeting room — two nail holes in the wall brocade show where Marx and Lenin recently looked down — I thought mostly of how warm and courageous he was and how historically important was his decision to try to save the Communist system by opening its windows to a large measure of freedom.

But every time I hear myself think that, I also hear what political prisoners of the Soviet system say on release — glad, not grateful. Neither they nor, as it developed, the people ever would be grateful to that suffocating system or to a leader trying to preserve as much of it as he could. The people obviously felt they had the right to more freedom, and to bread too. He could not do that within the system and would not abandon it. That is why he is now a pebble in the shoe.

Mr. Gorbachev talked of economic crisis, of growing destabilization. But he talked as if somehow he had nothing to do with it all. His enemies know he did, and are waiting.

His friends know that too, but they will try to help him, when he is out of office, as long as they can.

The New York Times.

Ant and Grasshopper: Tales From Egyptian Villages

By Richard Critchfield

CAIRO — The more we tinker with nature, particularly human nature, the more we get entangled in processes we don't understand.

Take the social consequences of the Aswan Dam. The dam proved itself indispensable to Egypt during the 1980s after a seven-year drought of Biblical scale. In 1988, just as the dam was about to be closed for fear that silt would clog its turbines, heavy rain fell on the Ethiopian highlands and the Nile's waters rose again.

Agricultural gains brought by the dam have averted crisis in Egypt for a generation. But Egypt's population has risen from 25 million when the dam was built to nearly 60 million now. Fears that the next crisis, when it comes, will be far more serious than earlier ones have fed the growth of fundamentalist Islam.

There are two rural Egypts: Upper Egypt and the Nile Delta.

In Upper Egypt, along the 650-mile (1,050-kilometer) Nile Valley, the Aswan Dam brought huge change, 28 years ago, forever ending the river's age-old August floods. Two-thirds of Upper Egypt was shifted from reliance on that floodwater to perennial irrigation.

The abrupt result was a change from one to three crops a year, from mineral-rich silt deposits to chemical fertilizer and from pharaonic water wheels and lifts to diesel pumps.

The Upper Egyptians, or Saidis, still practice vendetta law. They still use the hoes and forks depicted in ancient tomb paintings. Black-veiled women darken their eyes and henna their hair as Nefertiti did.

In his 18 years in power, Nasser, himself a Saidi, installed a primary school, a doctor and an agricultural cooperative in each of Egypt's 4,000 villages. Yet even today education for some involves merely memorizing the Koran under the tutelage of an elderly village sheikh who may preach that the Earth is flat.

In just a quarter-century, the agricultural props for this Arabian Nights mentality have been knocked away. Crop yields have dropped as year-round irrigation causes salinity and chemical fertilizer fails to make up for the Nile's lost silt. Nasser destroyed Egypt's feudal aristocracy with land reform, but a new prosperous kulak class has come back. Egyptian farms are tiny, 94 percent of them under 5 acres (2 hectares). But the remaining 6 percent cover nearly half of all Egyptian farmland, up from a third in the early '70s.

In Upper Egypt, the widespread introduction of sugar cane has tripled many incomes. But expectations have risen faster. Money that should be reinvested in the land is too often squandered on feasts and weddings, or else spent on all-night prayer performances or costly pilgrimages to Mecca.

Television, now seen by 98 percent of Egyptians, feeds expectations. One popular show is "Falconcrest," its Napa Valley disputes over land and water eerily like those recounted by Meches, who chronicled day-to-day Egyptian village life from 120 to 111 B.C. The Californians, of course, are vastly richer.

But if change has produced a raucous Upper Egyptian grasshopper, it has also produced a quietly productive Lower Egyptian ant.

North of Cairo, in the Delta, you find another way of life: a strong work ethic, thrift, rigid religious restrictions and extreme courtesy. Staid, orderly and crime-free, Delta society — home to 60 percent of the country's 34 million fellahin, or peasant laborers — puts its faith in a blend of technological progress and Islamic social custom.

Upper Egyptian weddings are uproarious, with dancing, pistols fired and drunken brawls; a Delta wedding, with its cassette player and men sitting about on mats and smoking endless cigarettes, is decorous and dull.

Why the difference? A milder climate in the Delta, richer soil and more contact with the Mediterranean world play a part. And the conversion of the Delta from flood to perennial irrigation took place in the 1800s, when Turkish rulers built dams, barrages and canals. Delta villages have thus had a century longer to adapt.

The Delta fellahin combat salinity with drainage and use only one-fourth as much chemical fertilizer as do the Saidis; they apply cattle dung instead of burning it as fuel. Women are more liberated and work with men in the fields. Students seem to be everywhere, memorizing lessons from tattered textbooks. New houses crowd the fields, built with remittances from workers in the Gulf.

Turbulent Upper Egypt sees local armed rebellions from time to time. And Cairo's uprooted slum-dwellers sometimes riot in sheer exasperation. Perhaps the gentler Delta ant can come up with a blend of smaller families and more productive farm technology more in tune with the social justice inherent in the Koran.

The writer is author of "Shahhat, an Egyptian" and "Villages." He contributed this essay to the International Herald Tribune.

Somalia: The Agony of a Dying Nation

By Pierre Gassmann

GENEVA — More than 20,000 civilians, mostly women and children, have been killed in an indiscriminate bloodbath in Somalia in recent months. Thousands more lie wounded and dying in the rubble of the capital, Mogadishu. The living try to flee into the barren wastelands of western and northern Somalia. The survivors face starvation as the economy collapses and emergency food and medical shipments stand blocked outside ports.

And yet, with few exceptions, the world does nothing.

Today in the Somali capital, a few dozen nurses, relief workers and surgeons of the International Committee of the Red Cross, the International Medical Corps, Médecins sans Frontières and other small agencies work alone, wading in blood and battling against death and fear.

Sometimes they lose their lives, as did our Belgian Red Cross colleague, Wim Van Boxelaere, and Mohamed Ali Barre, the Somali national who tried to protect him during a senseless shoot-out last week.

Scholars used to say that Somalia was Africa's only natural nation-state: It had one language, one culture, one people. Now, after 80 years of colonial rule, 30 years of independence, a switch of strategic interests in 1977 (when the United States and the Soviet Union swapped alliances with Ethiopia and Somalia) and the ouster of President Mohammed Siad Barre in January 1991, Somalia is in the throes of a suicidal, clan-based civil war.

And now, after decades of harsh and corrupt dictatorship, Somalia has ceased to exist as a state. As one Western aid official told me recently, "Somalia has fallen off the edge of the Earth."

Until 1990, when donor countries had a strategic interest in the country and commercial assets to protect, money was no object. Somalia came to be known as the "black hole of international aid."

But in the New World Order, Somalia has no place.

The humanitarian agencies toiling bravely in Somalia are the last conduit for compassion. Even their small efforts, a drop in the bucket of overwhelming need, are at risk. Conditions in Mogadishu grow worse daily.

The UN and its specialized agencies have been conspicuously absent, given the security risks involved.

Considering the immense suffering of Somalis, the international community should attempt to live up to its lofty rhetorical promises of humanitarian intervention.

We witness and applaud international efforts to save the Kurds or to bring peace to Yugoslavia. But what about Africa?

The Somali people wait for an end to their ordeal. Even the small gestures of humanitarian agencies are doomed if their aid is not backed up by serious political efforts to end the conflict. These efforts must be undertaken urgently by the international community, to stop the senseless carnage.

The writer is delegate-general for Africa of the International Committee of the Red Cross. He contributed this comment to the International Herald Tribune.

Only Force Will Stop The Serbs

By Anthony Lewis

BOSTON — Among the special events of 1991 there was one unambiguous disaster. What happened in Yugoslavia has been a tragedy for its people and a monumental political failure for the United States and the European Community.

For months now, Serbian forces have been shelling, bombing and invading parts of Croatia.

They have leveled one major city, Vukovar, and are destroying others. They have occupied a third of Croatian territory, and are settling Serbian families there.

Western policy has been to support the efforts of mediators to bring about a cease-fire and meaningful peace talks. Cyrus Vance has acted on behalf of the United Nations, Lord Carrington for the EC.

One could not ask for more committed or courageous peacemakers. But they have been frustrated by Serbian political and military leaders who have accepted successive cease-fires and then resumed firing.

What has been lacking is a political framework that put pressure on the Serbian hard-liners to stop the aggression. The United States and the European Community took a detached position.

They refused to recognize the declarations of independence by Croatia and Slovenia. They did nothing to help Croatia against the Serbian-led federal army, which had most of the country's munitions.

The reason given for the detached posture in the face of military aggression was the principle of nonintervention in "domestic" conflicts. It is generally a wise principle.

But to term this conflict "domestic" was to beg the real question — and ignore the reality that Yugoslavia had already disintegrated.

Moreover, this "domestic" conflict had particularly dangerous international implications. Serbian leaders claimed that they had to act to protect the 12 percent Serbian minority in Croatia.

To accept that excuse would be to legitimize countless other potential aggressions — Russian military action, say, against the Baltic countries, where the Russian population is far larger than 12 percent.

The unhappy truth is that only force or its prospect is likely to move the Serbian irreconcilables. As the frustrated EC monitors in Yugoslavia reported to their superiors, "[The army] must be aware that, if it shells a hospital, within 20 minutes of so doing it risks being obliterated."

The Community has now taken the first necessary step to stop the aggression. It has agreed to recognition by Jan. 15 of the Yugoslav republics claiming independence.

Serbian leaders reacted to the Community decision by threatening to widen the war. They thus inadvertently made clear that the next international step must be military support for Croatia and any other republic attacked by the Serbs.

The aim must be, as Richard Nixon wrote the other day in The Wall Street Journal, "to create a balance of power on the ground."

(Mr. Nixon, unable as ever to repress the malice in his nature, added a crack comparing the Serbian Communists to Mikhail Gorbachev — whose great contribution to history was *not* using troops to preserve a crumbling empire. Mr. Nixon prefers his old chum Leonid Brezhnev, who crushed Czechoslovakia.)

Anyone who deals with the Yugoslav problem soon learns how deep the conflict between Serbs and Croats runs. A Serbian-American writes to tell how her grandfather was mistreated by Croats. Bitter feelings are understandable. But shelling hospitals cannot make things better.

It is pointed out that the Croatian president, Franjo Tudjman, an extreme rightist, has been an apologist for racism. That is true, and it is indeed a reason for Serbian concern about the fate of Serbs in an independent Croatia.

But again, military aggression cannot be the right answer. To take Croatian land and incorporate it in a Greater Serbia can only build more hatred. The solution must be political guarantees for ethnic minorities — guarantees that the EC has now made a condition of recognition.

In Serbia itself, many people are opposed to the war being waged by the Communist president, Slobodan Milosevic, and his generals. The United States should be just as unambiguously opposed. The world is too dangerous a place to overlook military aggression because it bears the label "domestic."

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1891: Fin de Siècle Art

PARIS — One of the most interesting and curious of art exhibitions was that which opened yesterday at 47 rue Le Peletier, known as the Bare de Bouteville. It consists of the works of the "fin de siècle" artists of the impressionist and the symbolist schools. The symbolists, generally speaking, are the artists who do not wish to make drawings finished, as has been the fashion with artists of the past century. They seek to take up art as it commenced. Their cry is "Simplify! Simplify!" They seek rather the idea than the execution.

1916: Booking for Peace

NEW YORK — The high hopes of Germans for peace are indicated by the announcements of the German steamship lines that they are prepared to make freight engagements. The Hamburg-America letter, dated December 16, reads: "We take pleasure in announcing that we are now open to make freight engagements from the United States to Hamburg for shipment upon the resumption of our regular service after the conclusion of peace, or such earlier time as the obstacles to such resumption may be removed."

1941: Hongkong's Stand

LONDON — [From our New York edition:] The defense of Hongkong was prolonged tonight [Dec. 20] by a garrison of imperial forces from two sides of the world, but British circles considered the battle against the Japanese invaders to be hopeless. Even the Japanese, in praise of the last stand of the band of British, Canadians and Sikhs, admitted in a broadcast tonight that "the expected imminent fall of the colony has been staved off by their stubborn defense." Authorities said it would be a miracle if the colony, a British Empire outpost in the Orient for a hundred years, did not soon pass entirely into Japanese hands.

Israelis Abduct 3 In Lebanon Raid

By Jackson Diehl
Washington Post Service

JERUSALEM — Israeli commandos abducted three men from south Lebanon before dawn on Friday and took them by helicopter to Israel, staging a raid similar to that in which a Shiite cleric, Sheikh Abdel Karim Obeid, was captured two years ago.

Hours later, three people were killed by a bomb left in the car of the captured men.

Israeli radio quoted "security sources" on Friday night as saying that the three men would be released on Saturday. It gave no details.

Israeli authorities denied that their seizure of the three Lebanese, who included a local journalist, was linked to their efforts to arrange an exchange of Sheikh Obeid and other Lebanese prisoners for a missing Israeli airman, Captain Ron Arad. Israel believes Captain Arad is being held by Iran or groups it backs in Lebanon.

But official sources conceded that the operation might be seen as being connected to the bargaining, particularly as it was staged just outside Sheikh Obeid's home village of Jibsheet. The United Nations secretary-general, Javier Pérez de Cuéllar, has been trying to arrange a deal in which Israel would free Sheikh Obeid and several hundred other prisoners in exchange for Captain Arad as well as the remains of two other Israeli soldiers killed in Lebanon.

The government of Prime Minister Yitzhak Shamir, however, which has already released several groups of Lebanese during the bargaining, has grown increasingly concerned that it has lost the chance to recover Captain Arad now that all the British and American hostages held in Lebanon have been released.

Among the three men abducted by Israel on Friday was Shawki Fahs, who was identified by Reuters as a 43-year-old journalist who works part-time for the agency. Another was identified as Kamel Abed Nahal, a friend of Mr. Fahs. The identity of the third man was unclear from Lebanese reports.

Hours after the raid, Reuters said, a flashlight recovered from the car that the Lebanese were riding in when they were stopped at an Israeli roadblock exploded in a butcher shop owned by Mr. Nahal in Jibsheet, killing two of his sons and another child and wounding at least three other people. The Associated Press quoted Lebanese police as saying they believed that the bomb was a booby trap left by the Israeli commandos.

An Israeli military official said Friday night that the three Lebanese would be questioned in Israel and released if it were found that they were not involved in attacks against Israel. The army has been engaged in a low-grade war of bombs, raids and shelling with the pro-Iranian Hezbollah movement, which controls parts of south Lebanon near the Israeli security zone.

The official denied that the three men would be held, like Sheikh Obeid, as bargaining chips in an effort to force Hezbollah and its Iranian backers into a bargain on Captain Arad. Officials acknowledged that Sheikh Obeid, who was abducted in July 1989, was taken to improve Israel's bargaining position, and drew harsh criticism as a result from the United States and other Western countries.

■ UN Expects Body's Return

Mr. Pérez de Cuéllar said Friday that he expected that his hostage mediator would soon receive the body of one of the two Americans who died in captivity in Lebanon, The Associated Press reported from the United Nations, New York. The two missing men are Lieutenant Colonel William Higgins and William Buckley, the former CIA station chief in Beirut.

"We were expecting the return of a body any time," Mr. Pérez de Cuéllar said. "I wouldn't be surprised if they are going to get it to us today or tomorrow."

John Parkin/The Associated Press

President Frederik W. de Klerk, left, and Foreign Minister R.F. Botha listening to speeches Friday at the opening session of talks in Johannesburg on a post-apartheid constitution for South Africa.

De Klerk Urges All-Race Vote To Form Interim Government

By David Ottaway
Washington Post Service

JOHANNESBURG — President Frederik W. de Klerk proposed on Friday that South Africa's majority blacks join the white minority as soon as possible in forming an elected interim government and Parliament to run the country and draw up a new, nonracial constitution.

The dramatic proposal, made on the opening day of a multiparty constitutional convention attended by leaders of all the races, raised the possibility of blacks participating in both a referendum and national elections by the middle of next year, when some kind of multiracial interim government is expected to be set in place.

"We are convinced that it is in the best interests of South Africa and all its people for us to institute expeditiously as a first phase a government that is broadly representative of the total population," Mr. de Klerk said.

"Such a generally representative government will not only see to the administration of the country but will also be able to take the lead in further constitutional reform," he said.

He said that "all South Africans" should become part of the constitutional negotiations and decision-making process through "democratically elected representatives."

He also said he was ready to amend the present constitution to establish "a newly constituted Parliament."

Mr. de Klerk indicated that he was making the proposal as a counter to demands by the African National Congress, the government's main black negotiating partner, for elections based on one person, one vote to create a constituent assembly to write the new constitution.

Mr. de Klerk said the government's plan would require holding a referendum in which whites, Indians and people of mixed raced would vote on their separate voting rolls, but blacks would vote as well.

"All South Africans must participate in the referendum," he said, adding that elections must be held as well.

Although Mr. de Klerk left vague the terms under which such elections would be held, an aide said later that he thought they would have to be on the basis of one person, one vote, with blacks and whites registered on the same voters roll.

Mr. de Klerk's proposal came at the end of the first day of the Convention for a Democratic South Africa, which has brought together 228 delegates from 19 political parties and black homelands. It began with a flurry of speeches hailing the dawn of a new era in South Africa's history.

The ANC president, Nelson Mandela, said in his address that with the convention, "the situation in our country is irreversible."

It was the first time any ANC leader has made such a statement, and it seemed to reflect the overall feelings of most of the delegates.

"The process of moving towards democracy is unstoppable," Mr. Mandela said. "The time for one South Africa, one nation, one vote, one future is here."

But the upbeat atmosphere was marred by the most bitter exchange of insults and accusations ever heard in public between Mr. Mandela and Mr. de Klerk.

Mr. Mandela accused Mr. de Klerk of having attacked the ANC for allegedly not honoring an earlier undertaking to disclose the whereabouts of its arms caches.

Mr. de Klerk had said the fact that the ANC still had "a private army places a question mark" over whether it should be allow to participate in the convention. He was referring to the ANC's military wing, which still operates outside South Africa and has forces inside as well, although the ANC has formally suspended all armed action.

Mr. Mandela said Mr. de Klerk had exercised poor taste and judgment in bringing up the issue, which was already the subject of intense discussions between the government and the ANC.

Even the head of "an illegitimate, discredited, minority regime," he said, referring to Mr. de Klerk, had "certain moral standards to uphold."

If Mr. de Klerk could not stem the violence wracking the country or control his police's alleged involvement in stirring it up, then "he's not fit to be a head of a government," Mr. Mandela said.

Mr. de Klerk was livid. Pounding his hand on the podium, he said that the government had reached "an absolute stalemate" in talks with the ANC about the arms caches and that the issue was so important that it risked "inhibiting" progress at the convention.

"It's a matter that must be solved," he said.

BAKER: *A Drastic Change in Ex-Soviet Landscape, for Better or Worse*

(Continued from page 1)

would survive on their own, while their doubts about the Russian Republic have increased.

They said Mr. Yeltsin appeared to have neglected the enormous frustration of people in Moscow, St. Petersburg and the industrial areas of the Urals with food shortages and hardship. Mr. Shevardnadze told Mr. Baker that he agreed with those who are warning about a possible "social explosion."

"Everybody has consistently underestimated how fast events can move," a State Department official said. "I don't think we should underestimate how fast things could deteriorate."

Soon after Mr. Baker arrived, he met with the Russian foreign minister, Andrei Kozyrev, and Russian officials said Mr. Yeltsin had already signed decrees abolishing the Soviet Foreign Ministry and Interior Ministry.

In effect, Mr. Yeltsin was moving to put the functions of the union out of business even as Mr. Baker arrived in the Kremlin.

"It was unnecessary to demean Gorbachev, but he was allowing himself to be demeaned," said one participant in the talks. While Mr. Baker and many of his assistants felt sympathy for Mr. Gorbachev, they also realized that he had no hope of hanging on to the union, and that Mr. Yeltsin was prevailing in the power struggle.

At the Kremlin, Mr. Gorbachev seemed strangely dispassionate, and had apparently rationalized that the end was near and that there was nothing he could do about it, participants in the talks recalled.

It was more than just a personal setback for Mr. Baker. The breakup of the union poses a huge new challenge to American diplomacy. In the last few years, the United States could count on Mr. Gorbachev and Mr. Shevardnadze as rational interlocutors, and Mr. Baker devoted considerable attention to joint initiatives with them.

Now the logistical and political obstacles are far greater. Just to reach the capitals of the four republics that posses strategic nuclear weapons, Mr. Baker had to fly across six time zones in 48 hours.

Instead of one voice, the republic leaders spoke in a cacophony about the new commonwealth arrangement they are struggling to set up. On the critical issue of the future of Soviet conventional forces, or on where to send humanitarian aid, Mr. Baker had trouble getting a coherent answer, officials said.

Although Mr. Yeltsin is believed to be still committed to radical economic and political change, some American officials said he was more focused in the meetings with Mr. Baker on the power struggle with Mr. Gorbachev, and on establishing Russia's place in the world, than on easing troubles at home.

Several officials noted that the most severe humanitarian needs were in the Russian Republic, and the potential for unrest seemed greatest there. Privately, some officials said they were worried about Mr. Yeltsin's populism and how he would react if pent-up resentment explodes before people begin to see some relief from their woes.

But the focus in the other republics Mr. Baker visited — Ukraine, Byelorussia, Kirghizia and Kazakhstan — was almost entirely on how to make it economically.

Although there are strains of nationalism and other political and military problems, Mr. Baker and his team came away with a general sense that some republics "have a clearer vision of where they are going," as one participant put it.

Some of the republic leaders appealed to Mr. Baker for more political advice about how to establish democracy.

3,000 Protest City Settlement In Jerusalem

New York Times Service

JERUSALEM — About 3,000 Israelis and Palestinians poured into an Arab quarter of East Jerusalem on Friday to protest a recent takeover of six houses there by Israeli nationalists who have political support and financing from the government.

It was one of the larger public demonstrations here in many months, and it reflected a concern bordering on anger among many Israelis over the government-backed move into the Silwan neighborhood, which they believe threatens to upset fragile religious and ethnic balances in this always-charged city.

The demonstrators, marching peacefully near the walled Old City under the banner of the activist group Peace Now, included half a dozen opposition members of the Knesset, the Israeli parliament, and the Palestinian leader in East Jerusalem, Faisal Husseini.

"This move into Silwan was deliberately provocative," said Tzali Reshef, a Peace Now leader.

The Silwan takeover has been broadly denounced, its critics including Mayor Teddy Kollek of Jerusalem, who has said that it is "driving the Arabs crazy" and that it is an example of the government's catering to "the extremists, people with a fanatically shortsighted understanding of Jerusalem's true interests."

KUWAIT: *For Security, Keep a Jeep in the Garage*

(Continued from page 1)

Kuwaitis who were tortured and killed continue to be broadcast on the two television stations. Love songs have been banned from the airwaves, replaced by stirring patriotic anthems.

Singing and dancing have been prohibited at weddings, and the televised prayers are always followed by a special plea asking God to give strength to those Kuwaitis under torture in Iraq.

The war has marked a division between those who remained abroad and those who stuck it out.

"Those who spend money freely are the ones who didn't stay for the occupation," said Robert Khoreiche, a Cartier salesman. "The ones who remained are more careful, more unsure of the situation. They save what they have."

Kuwaiti drivers are more aggressive, and groups of youths, still waiting for the country's recreation centers to be refurbished, have become a nuisance. Unescorted women are often harassed by young men, who hang out smoking cigarettes and watching the world go by.

"It is frightening to be out alone in certain parts of the city," one woman said.

Crime, almost unheard-of before the invasion, has begun to plague some of the city's back streets. The incidents, government officials contend, are linked to the recovery of firearms by many Kuwaitis after the Iraqi retreat.

The population that has been penalized most for the war, with the Iraqis beyond reach, are the Palestinians, many of whom had lived in Kuwait for several decades.

Dismissed from their jobs, hounded from the university, denied residency visas and deported, their numbers have dwindled to 50,000 from 400,000. Every day four or five cars, overloaded with Palestinian passengers and bundles of household possessions, take the road north into Iraq.

Kuwaiti immigration policemen strip the travelers of their identification cards at the last checkpoint before the United Nations-monitored demilitarized zone and toss them into a heap on the floor of an army vehicle.

The Palestinians, who Kuwaiti officials contend actively supported the Iraqi troops, once managed the day-to-day operations of the country's banks, schools, hospitals and businesses. Their departure has especially disrupted the commercial life of the country.

"With the Palestinians gone, it is extremely hard to get anyone to make decisions," said an American businessman who signed a multimillion-dollar contract after five months of negotiations with the government.

With the departure of the Palestinians and the failure to return of hundreds of thousands of other foreign workers to fled after the August 1990 invasion, the population is 1 million, down from a prewar total of 2.2 million.

But the number of foreign workers, most of whom are Asian, climbs daily and even a few Palestinians, like doctors, have been told they can remain for now. New wells are being drilled to replace those that were badly damaged and the emirate's production of crude has reached 300,000 barrels a day.

By the end of the year, the country hopes to be producing 550,000 barrels a day, a figure that should reach 1 million by June and 1.5 million by the end of 1992, the country's preinvasion quota set by the Organization of Petroleum Producing Countries.

With the capping of the oil-well fires, environmentalists are focusing on the hundreds of oil lakes that now dot the desert. But they concede that the predictions of an ecological nightmare, like those of a devastated city, were exaggerated.

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ART

The Starkness Of Hopper's Vision

By Joan Dupont

GENEVA — There's something uncanny about a Hopper painting. It's as American as a Campbell soup can, yet mysterious, foreboding; at once absolutely familiar and completely unsettling. Now Europeans are being treated to a retrospective that shows the power of the artist's singular vision, his stubborn-minded pursuit. Instigated by the Whitney Museum of American Art, the exhibition features the early work of this giant of a man whose career spanned 60 years.

The paintings look rooted in reality, yet shiver on some invisible border and veer off to the surreal, evoking a sense of déjà vu. "People seem to feel they know Hopper," says Madeline Goodrich Noble, "that they've always known him." Noble, the daughter of the late Lloyd Goodrich, who was director of the Whitney and a steadfast champion of the artist, helped put together this show which has brought record crowds to Geneva's Musée Rath. The curator, Charles Goerg, collaborated with Steingrim Laursen of Denmark's Louisiana Museum of Modern Art, persuading museums and private collectors to add to the show, to make it bigger for Europe.

Unlike Andy Warhol or Andrew Wyeth, Hopper was never a great star, but his brand of realism left its imprint on artists and graphic artists. His touch is on those posters with forlorn houses, deserted railroad junctions; wherever there is a sense of drama around the corner. His vision has crept into our collective memory: where have we seen these sculpted, isolated looking characters, that stark light cutting through the gloom? Movies, with their long shots and close-ups, have that kind of staged composition, that sense of impending drama.

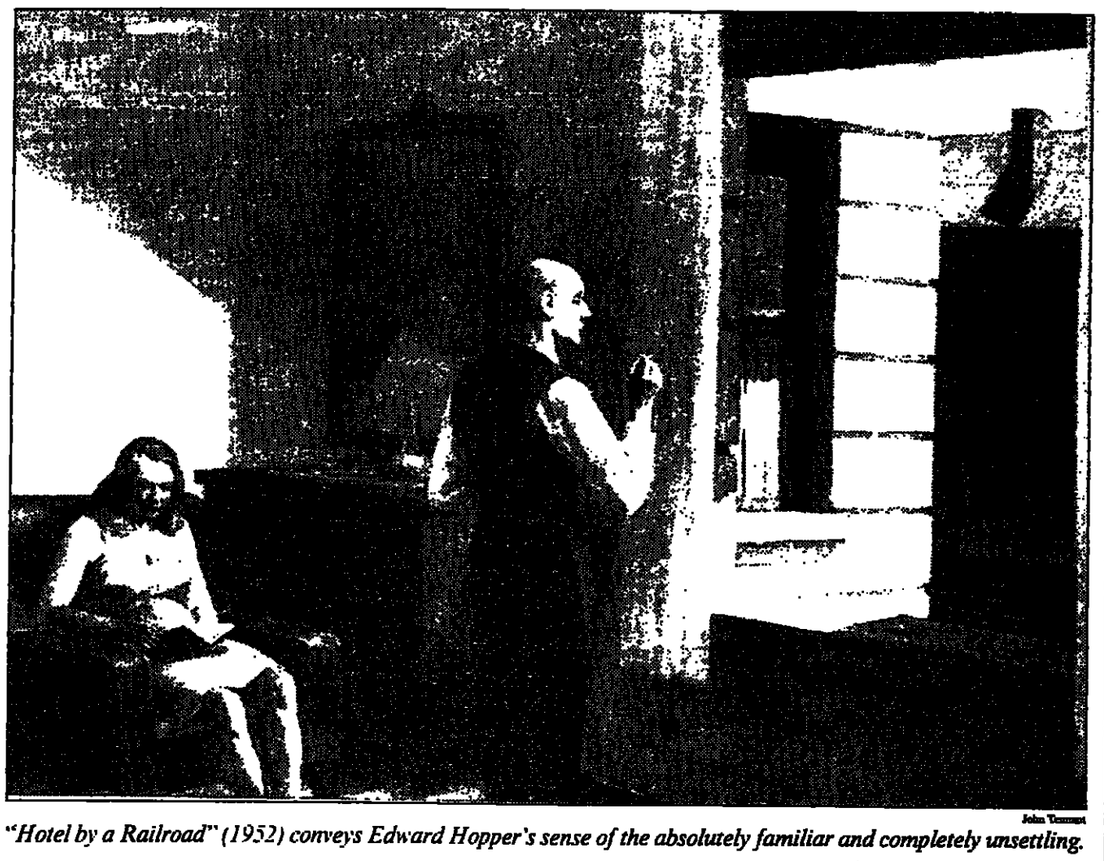
Hopper went to the movies, and the movies came to Hopper. As early as 1921, his moody "Night Shadows" etching, with its plunging overhead view of a hunched man, hinted at the film noir — Fritz Lang was to make "M" 10 years later. "The House by the Railroad" (1925) is as ominous as any Hitchcock, the diner in "Night Hawks" (1942) has the earmarks of a David Lynch, and the car nosing out of the desert in "Western Motel" (1957) might be surging from a vintage Godard or the latest Wenders.

Born in Nyack on the Hudson, in 1882, Hopper studied in New York under Robert Henri, along with George Bellows and Rockwell Kent. At the age of 24, he broke away from Henri's "dark old-masterish tonality," and went to France where he was stunned by the light. "The light was different from anything I had ever known," he said later. A Yankee in Post-Impressionist Paris, he admired Manet and Degas, Courbet and Daumier; he painted the quays, bridges, and barges, and sketched derelicts, prostitutes and concierges. But he kept to himself, apart from the Fauvists and Cubists, drawing rooftops from his room on Rue de Lille on the Left Bank. These are works seldom seen — a strange staircase whose every step seems to spell doom, viewed from below, a bistro stranded on the banks of the Seine, sprung from some private hallucination.

BACK home two years later, he found the United States "a chaos of ugliness," as he told Lloyd Goodrich (Goodrich recalled these conversations in his monumental "Edward Hopper"), but he was determined to paint the industrialization of his country — trains, tramp steamers and tugboats — to capture the light and color of outdoor America. At the revolutionary 1913 Armory show, he sold one oil, "Sailing," for $250; he didn't sell another painting for 10 years. He simply wasn't popular — even his admirers told him that his work was too hard for the public.

During that bitter decade he supported himself on commercial art, but he told Goodrich he was a "rotten illustrator. I'm not interested in drawing people grimacing and posturing. Maybe I am not very human. What I wanted to do was to paint sunlight on the side of a house." Critical recognition of his prints came in the '20s, and from then on, his watercolors and oils — landscapes, seascapes, and cityscapes — made him popular. Evenings he sketched nudes at the Whitney Studio Club and the museum gave his Paris oils a one-man show. Goodrich and the Whitney stood by his work through trends and takeovers on the scene — Abstract Expressionism, Pop Art, Op Art, Hyperrealism.

A man of few words, fewer friends, and one wife, the artist chose well. "Hopper had no small talk," Goodrich recalled, "He was famous for his monumental silences; but like the spaces in his pictures, they were not empty."



John Tennant

"Hotel by a Railroad" (1952) conveys Edward Hopper's sense of the absolutely familiar and completely unsettling.

In 1924 he married Josephine (Jo) Nivison, a fellow art student from Henri's studio. The couple lived in a Washington Square top-floor studio, where he died in 1967, and she died the following year. They were childless, and lived frugally, dining on milk and biscuits. Their pleasure was spending six months in South Truro on Cape Cod, where they worked. Arnold Newman took a very Hopper-like photo of the artist there, huge and brooding, looking trapped in his armchair, the dark lawn behind him, and a woman's figure — Jo — posed in the background. Jo stayed in the background, she was his model, and figures in almost every portrait: "All the women I paint are Jo," he said.

Since she was a big reader, Jo often posed with a book in hand, looking lost in "Hotel Room" (1931), chic and hatted in "Compartment C, Car 293" (1938). They both read in French; Hopper also went for Americana — Thoreau, Frost, and E. B. White. His big distraction was the movies. Whenever he couldn't paint, he took off for a double feature. It's hard to make out what he watched: you can just glimpse a snip of black and white in "New York Movie," (1939). There is a blond bare-shouldered woman in "New York Office" (1962) who looks more like Marilyn Monroe than Jo; it was painted the year of Monroe's death.

"I think he liked getting away and watching the light and shadow flit across the screen," says Noble, who met the artist often while growing up in New York, but admits she never felt at ease in his company: "He was a giant who made no effort to communicate; I don't think he was interested in children."

After the original retrospective had toured Tokyo, Newport Beach, California, Seattle, and San Antonio, the Whitney's directors asked Noble if she could help put together a European tour. A long-time Geneva resident, she went to see Goerg who loved the idea, but said his museum could never afford it. Three days later, IBM came to him with an offer to sponsor an exhibit.

"A lot of affection was behind this show," Noble says. "The Whitney wanted the world to know that Hopper was their boy. People ask about my memory of him. I wish I could say I had seen him laugh — I wonder if he laughed? If there's an artists' heaven, I like to think my father and Hopper are together up there, looking down and that Hopper is, well, at least smiling."

Musée Rath through Jan. 12; Louisiana Museum, Jan. 25-April 26.

Joan Dupont is a Paris-based writer specializing in the arts.

Auction Totals Plunged in 1991

International Herald Tribune

AUCTION houses are being shaken to their foundations by a crisis largely engineered by their own excess, and Christie's is readjusting faster.

This is partly reflected in the end of year figures release by both houses. Christie's worldwide sales, $1.03 billion, are down 48 percent from 1990. But Sotheby's sales, $1.10 billion, have plunged by 54.9 percent.

In the autumn the downward trend over the corresponding period in 1990 was steeper at Sotheby's, 31 percent, than at Christie's, 20 percent. Indeed, Christie's now claims to have gone up to 48 percent of what they call the world's market share and to have left Sotheby's slightly trailing in the United Kingdom, where Christie's edged up to 51 percent.

Percentages of this kind are less meaningful than they might be in industry. Anyone can "buy" market shares by persuading would-be vendors to come to them rather than to the opposition, by conceding excessive advantages — including the so-called "guarantees," i.e. by assuring the vendor will get a minimum price, whether his goods sell or do not sell. This dubious practice which impinges on the price mechanism at auction — the auctioneer's natural temptation is to run up the price up to the "guaranteed" level and hand out estimates before the sale echoing the level in question — has done untold harm to the market, including the auction houses themselves.

Here the restructuring announced by Christie's on Thursday and explained in greater detail in a general staff meeting headed by Charles Allsopp, the U. K. chairman, is highly meaningful. Noël Annesley becomes deputy chairman of Christie's International.

The 50-year-old expert in Old Master drawings, one of the best in the world as well as an outstanding auctioneer, has been with Christie's for 27 years, talks the language of collectors, and

Noël Annesley

understands how the art market operates. He will, in effect, have the last word on such decisions as guarantees. Allsopp is now the chairman of the new United U.K.-European Board and François Curiel becomes deputy chairman. Curiel, a jewelry expert, equally brilliant in his field, has a "drive," (Allsopp's own word) but also an understanding of the snags of the market that should make his greater involvement in the London side precious to the company.

Both appointments were pushed for hard by Christopher Davidge, managing director of Christie's International. He more than anyone, understands the market machinery and how to keep the engine in working order by avoiding overheating.

These moves are coming just in time. France is becoming a potential competitor once again. On Thursday, the French National Assembly voted to cut back VAT on art sales to 5.5 percent from the insane 18.6 percent to which it had been raised in September. Japan is coming back as a heavyweight buyer. Last week, the ban on bank loans for the purchase of art and real estate was lifted at the initiative of the administration. This should have a boosting effect at the top end of the market. The situation has become fluid once again.

Souren Melikian

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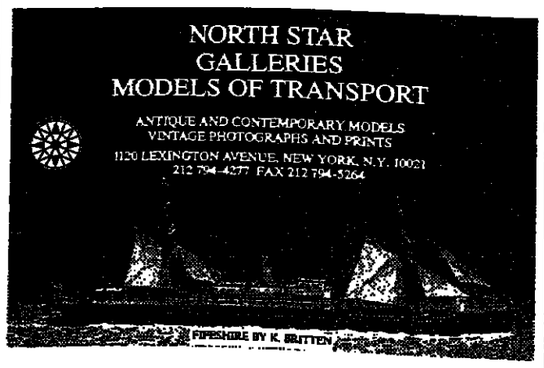

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The Surprising Variety of Hokusai, Japan's Great Assimilator

Hokusai's "Three Men Picnicking by Amida Waterfall," in the show at the Royal Academy in London. It is one of the artist's "Waterfalls" series published in 1832. This was done in light-green turquoises, pale yellow greens and ultramarine blues.

International Herald Tribune

LONDON — How little we know about some artists with familiar sounding names. If the Royal Academy exhibition of Hokusai's graphic work, on view until Feb. 9, was designed to surprise, it succeeds beyond all hope.

The Japanese print designer best known in the West for his "Wave," one of 36 views of Mount Fuji done in the 1830s, comes out as a genius

SOUREN MELIKIAN

of outstanding scope in this exhibition — remarkable for the intelligence of its selection, made by Matthi Forrer, who also wrote the catalogue.

But he also raises a question that soon turns into an obsession as the visitor travels through a kaleidoscope of aesthetic invention: Just how much of it was Hokusai's own? To what extent do we not glorify the professional copyist who prepared "a detailed worked out version" of the print design, the basic composition, to say nothing of the specialized block cutters who made the various blocks needed to create each print?

The question is particularly pressing right at the beginning, when the first few prints could be by as many different artists. The portrait of an actor striking an expressive posture as a brigand, one foot struttingly laid on the rim of a bucket, his bust threateningly thrust forward, eyes rolling, lips twitching, was published in 1791, when Hokusai was 29. There is an Utamaro touch to it.

Shortly before, Hokusai created "Kintaro and the Wild Animals," inspired by a Japanese legend about a child brought up among wild beasts. It is in an entirely different vein. A young boy with rippling muscular chest and arms like those of a sumo wrestler is boldly outlined, filling the space from the upper right to lower left. With one hand, he leans on a leering black bear, and with the other he grips the leg of a threatening eagle.

ALTHOUGH transformed by Japanese perception, the influence of Western art in the compressed composition is obvious. Throughout his life, Hokusai showed at intervals that he was receptive to it, each time with such divergent effects that the source is as difficult to surmise as the secret of this versatility.

"Head of an Old Man," probably a Hokusai self-portrait.

One of the most striking revelations in a show filled with surprises is the portrait of a teahouse waitress done around 1816-17. She is seen head and shoulders, turned three quarters, adjusting a hair pin while she holds a lacquer tray with a cup. The idea is Western, but the strokes are Far Eastern. Only the shaded gray of the hairdo betrays great familiarity with Western black and white engravings.

Early, Hokusai's uncanny aptitude at absorbing and radically altering influences, inspired some of his least known masterpieces. "People in Ushigafuchi Street" in Edo, as Tokyo was then called, done about 1800-05, shows a huge escarpment surging up from left to right and into the smoky expressive mass of a cloud reminiscent of some Zen genii. Nothing looks less Western than this landscape, supposedly composed according to European perspective.

The same is true of "A View of the Island of Enoshima," a poetical evocation in light gray stokes — waves without a sea, cliffs without a mainland, white empty space above, with no sky and drapes of calligraphy coming down from the upper frame in a spindly drizzle. It is typical of the assimilating powers of Hokusai, recasting everything he borrows into an aesthetic language of his own.

But nothing is quite so astonishing as the complete lack of any sense of aging as his oeuvre develops. It leaps and bounces from one aspect to the other, forever fresh, one phase seemingly unrelated to the previous one. Hokusai was past 70 when he created the "Thirty-six Views of Mount Fuji," including the famous "Wave." His inventive faculties sharpened, if anything. Within the series the diversity, not just of subject, but of aesthetic approach, is hard to believe.

THE masterpiece is, perhaps "Measuring a Pine Tree at Mishima Pass," the idea of a huge trunk springing up across the outline of Mount Fuji, is a European perspective device. But it serves to emphasize the differences rather than the similarity with Western art, of which there is little. The linear contour, the scratchy inking, owes everything to the Eastern heritage. The shaded blue color is the only obvious borrowing, but that in turn is used in a way that no Western artist would have recognized. The deepening blue of the tip of Mount Fuji is exactly matched by the deepening blue band at the top of the print. This is not a realistic rendition of anything the eye sees, but a rhythmical use of color.

Rhythm, indeed, is one of the keys to the print designer's uncanny aptitude at creating a world of his own. It reaches perfection in the series of "Waterfalls" printed around 1832. "Pilgrims at Kirifuri Waterfall" shows a cascade of blue streaks encased in white rippling around chunks of yellow and rusty brown — the rocks. These display a curious analogy with Iranian book painting of the 15th century and its later Mogul interpretations in Islamic India, making one wonder if the nimble Hokusai might not have seen miniatures from one or the other area and taken them in his stride as he did everything else.

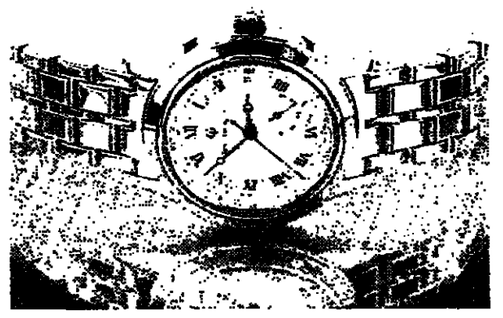
The fairy-tale atmosphere achieved here veers to a dreamlike, unreal world in other views. Such is "Three Men Picnicking by Amida Waterfall," with its gigantic mass of water looking more like some mineralogical samples jammed in between improbable turquoise mountain ledges. In either case it is hard to believe that the artist who devised this palette in delicate light-greenish turquoises, pale yellow greens and ultramarine blues could have been an elderly man.

Equally unlikely for his age are the large flowers he produced around that time. They are incredibly bold in their dashing strokes, such as the "Lilies," as well as in their composition, often suggestive of the cropped close-ups favored in 20th-century photography. As so often in the exhibition, the perfection of the impressions brings out the beauty of the works that might be passed over as mere decorative pieces, were the colors faded.

And that takes the wondering viewer's mind back to the question: How much is it Hokusai's own art? Perhaps it is best answered by looking at the drawings. A preparatory sketch with red ink corrections in the Huguette Berès collection, when compared with the print "People Crossing an Arched Bridge," shows that the creative energy that spurted out in vibrant strokes was entirely his. The print is weak, almost kitsch. The "Head of an Old Man," probably a self-portrait done in his 80s, has that wild pithy humor, that exuberant quality that is the hallmark of everything Hokusai drew from mountain cascades to flowers, also the same conciseness.

Not least a sublime landscape with a seaside village, virtually unknown — from the Museum of Fine Arts in Springfield, Massachusetts — displays that typical drift from the outline of reality, hills coming down toward the water, into the abstract wisps of dreams. The mountain zigzags tail off as wave ripples. Hokusai was also a poet. Few would doubt it, looking at his visual oeuvre.

GP 90 with power-reserve indicator (RDM)



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TITIAN LEADS £22.3 MILLION SALE AT CHRISTIE'S

Only a week after one of the most successful post-war English furniture sales at Christie's made a remarkable £9.9 million, Christie's achieved £22.3 million at one of the best Old Master Picture sales for a decade. Once again, the true strength of the traditional areas of the market was proven – Titian's 'Venus and Adonis' tripled its pre-sale estimate, selling for £7.5 million and becoming the most expensive picture sold at auction anywhere this year. Among many other top-quality works which attracted fierce competition five exceptional prices were set for Jan van de Cappelle, Georges de La Tour, Meindert Hobbema, Adriaen Thomasz. Key and Willem van Mieris.

As observers of the market said:

"A return to the good times and traditional values in a sale of Old Masters which made £22,318,065"
John Shaw – The Times.

"A price which is the highest of the year and moves us towards a saner market"
Godfrey Barker – The Daily Telegraph.

"It is not such a huge price for such a superb painting... we think that the price is right"
Jack Baer – Hazlitt, Gooden and Fox.

If you have Old Master Pictures which you would like to discuss, there has never been a better time to talk to Christie's.

'Venus and Adonis' by Titian (detail), sold for £7.5 million at Christie's on December 13, beating the previous record for Titian set at Christie's in 1971 for 'The Death of Actaeon' at £1.7 million.

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Herald Tribune INTERNATIONAL

Saturday-Sunday, December 21-22, 1991
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THE MONEY REPORT

FIRST COLUMN

Will Easier Credit Avoid Recession?

SO U.S. interest rates are a full point lower. After the gloom, if not the despondency displayed by the Chairman of the Federal Reserve, Alan Greenspan, in this week's testimony to Congress, an easing of credit was only to be expected.

But the question posited in last weekend's lead article in Money Report still remains unanswered: What next? Recovery, recession or depression?

The U.S. economy has failed to respond to earlier attempts at credit stimulus, and some analysts argue that things will still get worse before they get better.

But how bad is worse? Just when does a recession become a depression?

There is no hard and fast definition of recession. The phrase has come to have a generally accepted usage in the kind of way that people who don't know about these things assume inflation means rising prices in the stores. Whereas in fact consumer price indexes are just one of dozens of measures — and by necessary implication definitions — of inflation. Recession is commonly understood to mean two successive quarters of falling output.

Depression, however, remains in the province of pure aphorism: Every analyst seems to have a pet theory. The stale old joke is that a recession is when your neighbor loses his job, a depression is when you lose yours. If you try to be much more scientific than that, definitions soon spiral off into the more arcane areas of econometrics.

So if depression is relative — worse than recession — U.S. nationals can be relatively thankful. Things could be worse: You could be British.

Hobbled by real interest rates higher even than in the U.S., Britons are defaulting on mortgages in record numbers. Some 85,000 repossessions are predicted for 1992, compared to fewer than 3,000 in recent years. This is a direct result of the British government's desire, stated in 1988, to dampen house price rises — incidentally, another, very important form of inflation. This objective has been achieved so handsomely that some commentators are asking if the residential property market will ever recover.

So what is a depression? For a U.S. national it's when he loses his job, for an Englishman it's when the home that used to be his castle comes up for auction.

M.B.

Gold: Speculative Growth, or Just Another Cry of Wolf?

By Martin Baker

GOLD bullion broke through the $360 per ounce price level this week, although it settled back a few dollars toward the week-end. Nevertheless, the upward move prompted optimists to ask whether a long-awaited uptick is finally happening to one of the world's oldest investments.

Why the speculation? Partly because gold has been, frankly, such a boring investment for so long. After the wild excess of 1979 and 1980, when bullion was traded at what now seem incredible highs of more than $800 per ounce, gold dipped below the $300 level in 1982, and again in 1985. The minor peaks of $500 in 1983 and 1987 were abandoned in 1988, when the metal settled at around $350. Barring the occasional speculative flurry toward $400 gold has since done the next best thing to nothing.

Gold is traditionally supposed to react to political and economic crises. Yet despite many a good pretext for a speculative surge such as Soviet coups, war in the Gulf, and persistent inflationary fears, bullion has resolutely failed to react — even with the help of some determinedly optimistic sales talk from its supporters.

"If you looked in the press you would see articles once every six months quoting people like me being far too optimistic on this issue," said Andrew Spencer, the investment manager of the Fleming gold fund, registered in the Channel Island of Jersey.

Readers will be aware that this article could be just another semiannual cry of wolf. Or again, maybe this time there really is some cause for optimism over the prospects for gold.

Those wanting to make a case for gold would argue on two fronts. First would be the classic safe haven line; many alternative investments are looking less and less attractive. The German move Thursday to raise interest rates a half point pushed share prices sharply back across Europe. And the rationale for those higher rates was to check rising inflation, another traditional ally of a higher gold price.

President George Bush and Alan Greenspan of the Federal Reserve have both this week produced gloomy prognoses for the immediate future of the U.S. economy, and share markets responded by paring prices down.

But this kind of economic news is just the kind of thing to which gold has resolutely failed to respond in recent months.

Perhaps more compelling than the bleakness to be found elsewhere are the positive merits affecting the market in the metal itself.

First of all, production is down. "South Africa continues to lower its output, and there is a marked fall in Australian production," affirmed Martin Wiskeman, investment manager of the Franklin Gold Fund, based in San Mateo, California.

Mr. Wiskeman has watched worldwide gold production slow for the past three years: "So far that hasn't been reflected in the price. Well...now that factor's coming into the reckoning."

Andrew Spencer at Flemings agreed that production has been falling, but pointed out that "all the gold that has ever been pulled out of the ground, which is something like 100,000 tons, still exists. Annual production has been running near 2,000 tons recently. The consequence is that the important thing is not so much the level of production, but what those who hold the existing gold are actually doing with it."

The statistics on gold production and ownership are notoriously unreliable. Gold has traditionally been associated with secrecy and hoarding, and this has contributed to the confusion. The more so, in that some of the supposed hoarding was little more than rumor.

According to Dr. David Gulley of the World Gold Council, a body representing gold producers: "Detailed records of historic French gold coin mintings once gave rise to serious misinterpretations as to the amount of gold in private hands in France. The gold market was slow to realize how much of this gold had either left the country forever, or been used as feedstock for jewelry and industrial gold alloys."

There is, however, little doubt that the main holders of gold are also the biggest producers, South Africa and Russia. Traders were pointing to signs that these countries were cooperating to control the volumes available in the market as partly justifying this week's rise in the bullion price.

"If we can believe the figures, the Russians have less gold to sell," said Mr. Spencer.

"South Africa has always played a fairly careful game," said Mr. Gulley. "But as a general observation, concern has focused on the people making decisions in Russia, both as to their tenure of the rights over which they notionally preside, and as to whether they are really aware of what they are signing away when they sign something."

While sentiment on production is mixed to favorable, an undoubtedly positive factor has been the strength of demand.

"Nineteen-ninety-one has not been a record-shattering year, but it has been good," according to Mr. Gulley. "In the last couple of years demand has been more than the total of Western mine production."

Gold funds, the ideal investment medium for smaller investors looking for exposure to the metal, almost never invest directly in the metal itself. Gold fund portfolios are usually composed of gold mining shares, which naturally move in a similar direction to bullion.

But gold mining shares are considerably more volatile than the metal itself.

"There's an operational gearing to account for this," said Mr. Spencer. "The cost of gold production is around $300 per ounce. If gold is trading at $350 per ounce that's a $50 dollar margin. When the bullion price rises the producers' profits rise steeply."

In other words, a rise of $35 per ounce from a $350 base price would mean a 10 percent gold increase. But the producers' profit margins would rise from $50 per ounce to $85 per ounce — an increase in profitability of 70 percent.

Another factor that enhances the volatility of gold mining shares is the small size of the market.

"We have relatively few companies in this business, compared to other global businesses," said one Johannesburg-based analyst. "Relatively small amounts of money can move the market as a consequence."

Mr. Wiskeman cites the thinness of the silver market, which is far smaller than gold and was manipulated in the late 70s, as a contributory factor in driving the price of gold up to its $800 plus peak in 1980.

"Without the attempt to corner the market in silver, gold would probaly never have been priced above $600," he said.

The ultimate question for investors is, as ever, what happens next. How will gold be priced a year from now?

Gold fund managers are, in a sense, professionally optimistic: They are, after all, selling a product. Yet the sales talk has a muted, measured note to it.

"I can't see anything dramatic happening to gold over the next year, but I do expect to see a steady increase in the gold price, with a knock-on effect for shares," said Mr Spencer. "One percent for gold means two or three percent for mining shares," he added.

Mr. Wiskeman was bold enough to provide an answer to an impossible question. He argued that inflation made it look cheap, and so it would rise.

"A year from now? I can't name a figure, but I'd say gold will be trading between $400 and $425."

One word of caution for investors: No analyst, including gold fund managers, would recommend more than a five percent gold fund weighting, even in a portfolio designed for aggressive capital growth.

The irony is that even though gold has done so little for so long, it is still regarded as a volatile, speculative investment.

Gold Mining Investments - No Rush As Yet

Best Performing Gold Funds

Value of $100, income reinvested, excluding charges.

Over one month to Dec. 9

Abtrust Atlas Gold	L	117.39
NPV Gold Portfolio	L	111.76
Royal Life/MIM Brit Gold & PrM	O	111.65
Capital House IGF Gold	O	105.67
S&P Gold & Exploration	UK	104.36
Orvalor	F	103.84
Or Invest	F	103.73
Acti Mines d'Or	F	103.03
Guinness Fl GSF Global Gold	O	102.88
James Capel Gold & General	UK	102.64
Prov Capitol Gold Trust	UK	102.59
Scimitor WSF Gold	O	101.61
Fleming Gold	O	101.47

Over one year to Dec. 9

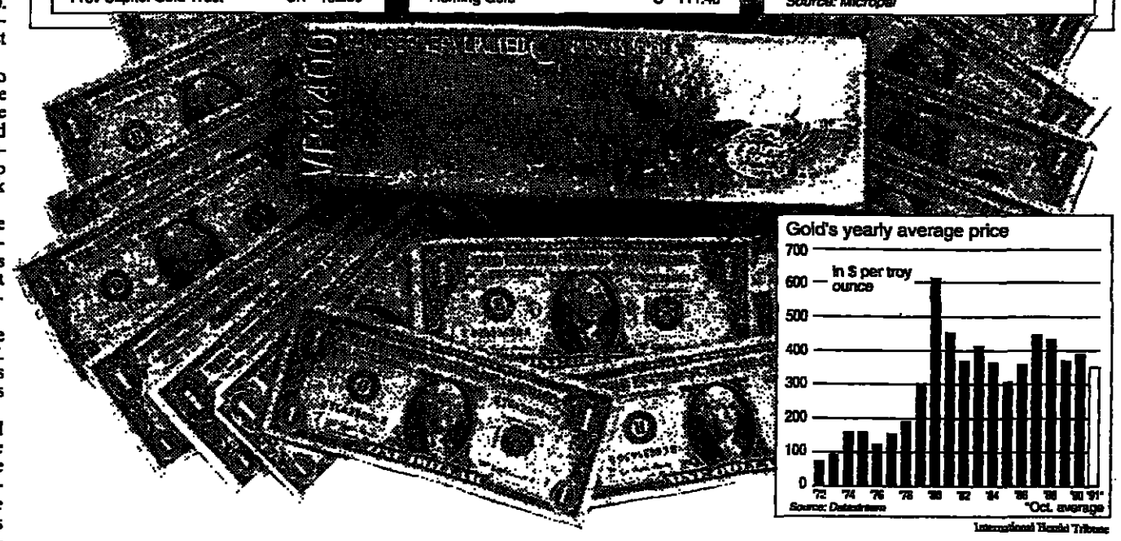
Abtrust Atlas Gold	L	122.79
James Capel Gold & General	UK	120.03
Orvalor	F	116.22
S&P Gold & Exploration	UK	116.05
Franklin Gold	US	115.95
International Investors	US	115.66
Keystone Prec. Metals	US	114.89
Indosuez Pacific Gold	O	114.55
Waverley Australasian Gold	UK	113.74
Freedom Gold/Govt Trust	US	113.35
NPV Gold Portfolio	L	112.01
Vanguard Spec Gold/Met	US	111.79
Fleming Gold	O	111.48

Over five years to Dec. 9

Oppenheimer Gold/Spec Min	US	187.12
Franklin Gold	US	168.16
Acti Mines d'Or	F	143.62
Freedom Gold/Govt Trust	US	140.76
Vanguard Spec Gold/Met	US	139.59
Aurecic	F	139.15
Indosuez Pacific Gold	O	135.82
United Gold & Government	US	127.85
Keystone Prec Metals Hold	US	127.24
International Investors	US	125.63
Lexington Goldfund Inc	US	122.67
IDS Precious Metals Fund	US	121.48

US = US Mutuals. F = French SICAVs. UK = UK Unit Trust. L = Luxembourg. O = Offshore Territories.

Source: Micropal



BRIEFCASE

Unified Investment Eludes '92 Market

The skeptics never believed it would happen on schedule anyway, but now it's a near certainty: There will not be a single, unified market in European investment services when the curtain officially lifts on the single EC market at the end of 1992.

The idea behind the unified market would allow a company authorized in one EC member state to operate in any other EC state — local clearance, universal business operations.

But the news from the Brussels bureaucrats this week is that the prrennial problems remain unsolved. Officials could not agree on the level of financial disclosure required in regulating dealings, whether dealing should be limited to established, well-policed markets, and what the role of the banks should be.

Futures Find Favor With Funds Markets

The surge in popularity of futures funds — easily this year's most popular type of fund internationally — reflects an increasing understanding and use of futures contracts and similar instruments in the world's financial markets.

But Japan this week took steps to reverse the trend, when the Tokyo, Osaka and Nagoya stock exchanges moved to restrict futures trading by increasing the levels of security required to do a deal.

Sweden Eases Rules For Foreign Investors

Sweden is to relax restrictions on foreign ownership of its companies. Analysts hope this will promote investment and smooth the way to Sweden's EC membership.

Whisky Distillers Feel the Pinch as Recession Bites

By Susana Antunes

CHRISTMAS cheer does not seem to be warming the hearts and pockets of Scotch whisky producers this year. Drinkers of the world's biggest selling branded spirit are forgoing their favorite tipple, as recession bites hard. And in whisky's home market — the U.K. — the threat of an unseemly price war looms large, as the industry's leaders slash the prices of their whisky brands, rocking the carefully preserved status quo that has reigned since the mid-1980s.

Worldwide sales volumes declined by 2.7 percent in 1990. The fall in the industry's three single largest markets — the U.S., U.K. and France — was 5.6 percent, 3.9 percent and 8.4 percent respectively.

This year the situation deteriorated still further — exports by the U.K. Scotch whisky industry, which dominates the international scene, fell by 11 percent in the first six months, although that decline has since been reduced to seven percent.

The sharp fall in sales can be attributed mainly to the recession in markets like the U.K. and the U.S., although it was worsened by the Gulf war, which severely hit duty free sales. Alan Gray, drinks analyst at Charterhouse Tilney in Glasgow, Scotland, also thinks the substantial price rises of whisky over the past few years have affected consumption.

"Whisky seems to have hit a bit of price resistance, and as long as the recession persists, it will encounter that resistance." That, he reckons, will affect producer ability to increase prices next year. In the U.K. and the U.S. for example, he expects price rises only in line with inflation.

Victor McColl, of London stockbrokers Henderson Crosthwaite & Co. believes that the gloom overbanging the industry at the moment is overdone. The price cutting in the U.K. is, he believes, a simple Christmas phenomenon, and that prices will go up again afterward. It is also a move, he said, which is limited purely to the U.K. In the rest of the world, whisky's image as a luxury, high quality product is untarnished.

But not everyone takes such a relaxed view. John Spicer, drinks analyst at S.G. Warburg in London said, "The price cutting is a consequence of the recession in the U.K. They do aim to get prices back up after Christmas, but the key question remains — will they get those increases through?"

Sales volume may have been declining, but production has not. Whisky production has always been an exact science because, as whisky must be at least three years old, and its average age is five to six years producers have to anticipate demand years in advance.

With sales coming down sharply this year, there has been an inevitable build-up of stocks. This has sparked fears of a return of the whisky lochs that haunted the industry in the mid-eighties.

But analysts argue that the changes that have taken place in the industry since then mean that a return to the bad old days is very unlikely. Mr. Spicer said, "The ownership of the industry has changed and it understands the problems created by dumping stocks on the market. This time round they will try to take stacks themselves rather than undermine the progress of the last years."

TODAY, brand ownership is concentrated in far fewer hands, with about 70 percent of malt production controled by just five companies, and their influence on the market is paramount.

Whisky distillers are now beginning to admit that they are cutting back on their productions though, and it looks like the total will fall between 5 and 10 percent this year, with industry forecasters looking for a 10 to 15 percent decline next year.

The motor of the sector's growth has not been volume sales however, but price. Although sales volumes have declined, their value has held up. By the end of September, total value had increased by 3.8 percent over the year. Between 1985 and 1990, exports from the U.K. of Scotch whisky grew by only five percent, but the value of those exports mushroomed by 72 percent over the same period.

This distinct change of emphasis and profitability dates back to the controversial British takeover of Distillers by Guinness in 1986. The whisky industry was suffering from a huge surplus of stocks, depressed prices and a prestige image with consumers that was quickly evaporating.

Guinness began by controlling its stocks more effectively to remove the downward pressure on price. At the same time, it launched a marketing drive to pull Scotch upmarket where it could demand premium prices. Its moves were quickly followed by the other internationals — Grand Metropolitan, Allied Lyons and Seagram, catapulting the industry into an age of rapidly rising profitability and a new found stability.

There are still plenty of growth opportunities in the Far East, and the southern European countries. In Spain, for example, sales grew by 13 percent last year, while Greece has witnessed annual growth in whisky consumption of 16.5 percent since 1985. One forecast suggests sales will grow by 20 percent in Spain, Portugal and Greece over the next three years. The Far East, except for Japan and Australia, is also growing quickly and the South American continent could emerge as a key growth market if the 51.4 percent annual growth rate of the Mexican whisky market over the past five years is indicative.

With four big, dominant players, it may seem that much of the restructuring of the industry has already been achieved. But the failed takeover bid from American Brand's White & Mackay for the Scottish independent Invergordon Distillers served as a timely reminder that there are still opportunities to be seized.

It is possible to argue that over the past few years, the industry has polarized with the big getting bigger and the rest fragmenting into many more companies. Mr. Gray argues that the lower end of the market has got stronger and more visible, and that some distillers could be taken over in due course.

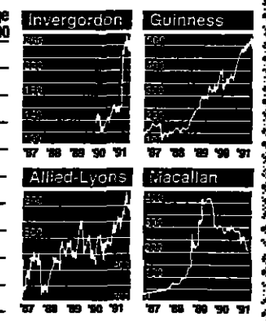
"There's always infilling to be done, although the scope for further acquisitions by the Big Four is getting more limited. But maybe some of the smaller companies could get together, for rationalization has certainly not completed its course," he said.

Scotch on the Rocks?

Top ten Scotch whisky markets* and leading producers' stock price (pence).

Market	1990	% change 1989-1990
United States	12.8	-5.6
Britain	11.5	-3.9
France	7.6	-8.4
Japan	5.8	-1.6
Spain	4.7	19.2
Greece	2.5	12.6
Italy	2.5	-12.0
South Africa	2.1	-12.3
Australia	1.9	-22.3
Germany	1.9	-3.3

*Millions of nine-liter case shipments



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THE MONEY REPORT

Tobacco Stocks Breathing Easy Despite Health Concerns

By Philip Crawford

DESPITE increasing reproach directed at smokers, perhaps most pointed during the holiday season when revelry and gatherings are ubiquitous, the tobacco industry is thriving.

A core U.S. customer base, more efficient production methods, and new markets made accessible by the post-cold war trade climate are leading the charge, say market analysts. American anti-smoking sentiment has largely failed to waft its way through Western Europe, where France and Italy lead consumption.

Some analysts say that shares in leading worldwide tobacco concerns now offer good value.

"Health concerns notwithstanding," said Diana Temple, a tobacco company analyst for Salomon Brothers in New York, "there seems to be a hard-core constituency of about 50 million cigarette smokers in the U.S., and though sales volume is declining every year there, retail prices keep going up, so the companies keep making money. Tobacco is one of the few industries where prices have held up during the current deflationary period."

Held up indeed. Wholesale U.S. cigarette prices rose about 12 percent over the past 12 months, eight percent retail, which more than offset the two and one-half percent decline in domestic sales volume. New technology has also pitched in on profitability, with the latest generation of manufacturing machines having recently doubled former output levels to almost 10,000 cigarettes per minute. And sliding domestic sales are being further countered by substantial international growth.

"Everyone in the world likes American blends," said John C. Maxwell, an industry analyst with Wheat First Butcher & Singer Securites in Richmond, Virginia, "and the major tobacco companies are all hitting new highs. They're also looking internationally, to Eastern Europe, Asia, and the Far East, more than ever."

Shares of Phillip Morris Companies Inc., which has a 43 percent U.S. cigarette market share, are being widely touted by analysts. Worldwide revenues for its two tobacco concerns (Phillip Morris U.S.A. and Phillip Morris International) for the nine months ending Sept. 30 reached $18 billion, or about 42 percent of the behemoth corporation's total revenues (other major subsidiaries being Kraft General Foods International and Miller Brewing Co.). The company's star performer, Marlboro brand cigarettes, is the best-selling consumer packaged product in the world, with sales of almost 350 billion cigarettes in 1990. Other major brands include Virginia Slims and Merit.

"I expect Phillip Morris' earnings growth to be in the 20 percent range over the next year," said Roy Burry, who tracks the tobacco industry for Kidder Peabody in New York. "It's an exceptionally good value. And its growth will be internationally focused.

Current data would appear to support Mr. Burry's view. Phillip Morris' aggregate EC market share had reached 22 percent by the beginning of 1991, and its revenue from cigarette sales internationally grew almost 25 percent during the first three quarters of this year to $9.7 billion. It has also sold over 20 billion cigarettes to Russia this year, and last week announced a plan to sell the Soviets at least 11 billion more in 1992.

"Both Phillip Morris and RJR Nabisco are setting up joint ventures with Western European countries and expanding into new markets such as Eastern Europe, Turkey, Japan, Korea and Thailand," said Kelly Metcalf, who follows the tobacco industry for Sanford C. Bernstein & Co. in New York. "We're seeing overall international volume for U.S. cigarette companies grow at about eight percent, and though they still make roughly 60 percent of their profits from domestic sales, that market is dropping. They're laying an international infrastructure."

RJR Nabisco Holdings Corp., with a domestic cigarette market share of 28 percent, is also being recommended by analysts. Worldwide net sales for its R.J. Reynolds Tobacco Co., which generates roughly two-thirds of the corporations profits, reached $6.34 billion for the first three quarters of 1991, with third-quarter international net sales increasing 13 percent from a year ago.

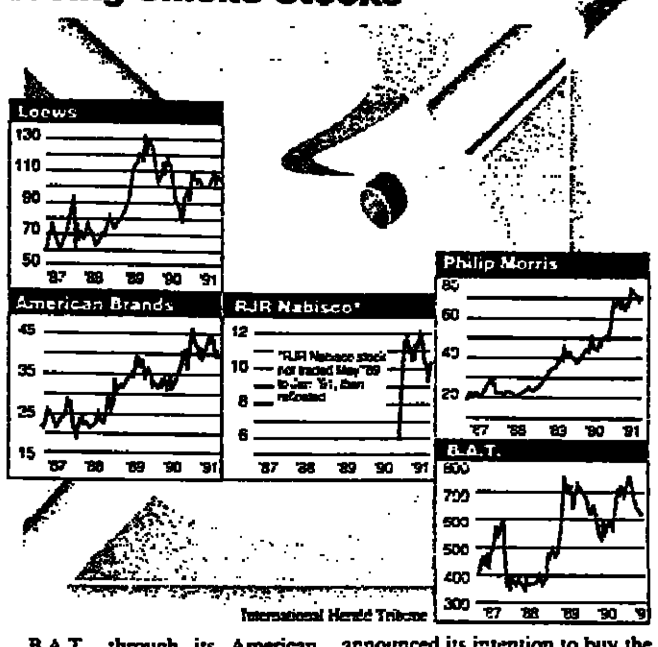
Sales of RJR's three top international brands — Winston, Camel, and Salem — were up 10 percent in 1990 and continue to show appreciable gains. And like its main competitor, the company has reached an export agreement with Russian trade officials and is actively exploring opportunities in Eastern Europe.

China, indeed, is seen as a final frontier of sorts for occidental tobacco companies, one where another currently touted industry player, B.A.T. Industries PLC of London, has also made inroads. "We're talking about a country that smokes one and one-half trillion cigarettes per year," said Nyren Scott-Malden, who tracks the tobacco industry for Barclays de Zoete Wedd in London. "That's 30 percent of the world market."

B.A.T., through its American subsidiary Brown & Williamson Inc., holds a 10 percent U.S. market share, and operates in numerous export milieu through its U.K. subsidiary, British American Tobacco Co. Ltd. The latter company, which posted 1990 sales of £3.73 billion ($2.05 billion), exported about 13 billion cigarettes to China over the past year, and this week announced its intention to buy the Pecs Tobacco Factory, Hungary's largest cigarette maker.

Analysts said that other publicly traded U.S. cigarette companies such as American Brands (7 percent U.S. market share) and Loews Corporation (also 7 percent), are expected to perform in line with the market.

Rising Smoke Stocks



For Americans Abroad, Additional Tax Preparation Fees

By Robert C. Siner

A CHANGE in official accounting methods could cost Americans abroad thousands of dollars in additional tax preparation fees, tax experts say.

Unwilling to raise taxes to pay for the recent increase in unemployment benefits, Congress decided instead to conjure up about half the cost of the $5.2 billion extension by speeding up collection of estimated income tax, the do-it-yourself withholding for those those who don't have enough money for U.S. taxes taken out at their jobs.

A large number of Americans working abroad already pay estimated taxes, and many will be affected by the speed-up.

At issue is the so-called "safe harbor" option, which allows taxpayers to calculate their quarterly estimated tax payments by taking the total amount of taxes they paid the previous year and dividing by four. Any extra tax owed is paid when the return is filed after the tax year is over.

"Safe harbor" allows taxpayers to avoid penalties, even if their estimated payments amount to less than the 90 percent of the total tax required by law.

The change, which takes effect Jan. 1, eliminates this "safe harbor" in the hope that the threat of penalties will force many taxpayers who pay estimated tax to have their incomes calculated quarterly and "pay as you go" rather than sending in large payments with their returns after the tax year is over.

To do this, the new rule gives a whole new meaning to the word "complex." It turns the calculation of estimated tax payments from a simple problem in division that could be done by taxpayers themselves to a byzantine process requiring two complicated tax forms and a Certified Public Accountant. Taxpayers won't have to pay more taxes, just much higher tax preparation fees.

"It's a nightmare," said Steven Kraft, a CPA who heads his own firm in Zurich. He added that he would have to do the calculations for almost all his clients just to determine whether or not they would be subject to the new rules.

"The whole thing is Mickey Mouse," said Sam Starr, a tax partner in the Washington office of Coopers & Lybrand, an international accounting firm. "There are lots simpler ways of skinning this revenue cat," he said.

One of these ways, according to Don Skadden a top official of the American Insitute of Certified Public Accountants, is to require "105 or 110 or 115 percent of estimated tax instead of 100 percent" required now. This would eliminate the need for costly calculations and still speed up tax payments. When he proposed this to the Senate Finance Committee he was turned down.

However, James Paul Szabo, National Director of Services to Executives Abroad, at Coopers & Lybrand in New York suggested that the new rule might rule might backfire. "What you pay in penalties maybe a lot less than the cost (of figuring the tax)," he said.

The new rule will apply to those taxpayers with a household income of over $75,000, who have filed estimated returns in one of the past three preceding years, and whose estimated income will be $40,000 greater than their income the previous year.

Best Performing Mutual Funds

Leading mutual funds from Belgium, Britain, France, Germany, Ireland, Italy, Luxembourg, Offshore Territories, Switzerland and the United States. Value of $100, income reinvested, excluding charges.

Over one month to Dec. 2, 1991

Fund	Domicile	Performance
Asian Development Eq. (A)	Luxembourg	125.40
Abtrust Atlas Gold	Luxembourg	117.50
Royal Life/MIM Bnt Gold & PrM	Offshore Terr.	114.29
Actifinance Intl.	Luxembourg	112.13
NPV Gold Portfolio	Luxembourg	111.76
CS Gulden Bond (A) (m)	Luxembourg	111.41
Wright EP Austrian Natl. Equity	Luxembourg	110.58
George V Investment Bd Fd (m)	Luxembourg	109.81
CIBC-CEF Indonesia-Philippine	Offshore Terr.	109.76
Credit Lyonnais Asia Spec. Si	Offshore Terr.	109.17
Ecu 92	Luxembourg	109.13
CMI GNF UK Bond	Luxembourg	108.78
JF Taipei Trust	Offshore Terr.	108.62
CIBC-CEF Thai-Philippine	Offshore Terr.	108.25
GIF Sterling Bond	Luxembourg	108.18
Credit Lyonnais Indonedian G	Offshore Terr.	108.12
Fidelity Fds Thailand	Luxembourg	107.71
European Income Fund FCP	Luxembourg	107.71
Capital House IGF Gold	Offshore Terr.	107.69
International Bond Trust A	Luxembourg	107.62

Over one year to Dec. 2, 1991

Fund	Domicile	Performance
Genesis Chile	Offshore Terr.	240.48
Oppenheimer Glob Bio Tech	US Mutuals	208.47
Framlington Health	UK Unit Trust	190.10
Montgomery Small CAP Fund	US Mutuals	187.78
American Heritage Fund	US Mutuals	187.14
Oberweis Emerging Growth	US Mutuals	186.31
GAM MMF Japanese Yen	Offshore Terr.	186.26
Mexican Investment	Luxembourg	184.70
Putman Emerging Health Science	Luxembourg	178.98
CGM Capital Development	US Mutuals	176.55
Financial Strat-Health Sc.	US Mutuals	176.35
Fidelity Select-Biotech	US Mutuals	175.26
MFS Lifetime Emerg Growth	US Mutuals	175.18
Framlington American Smlr Cos.	UK Unit Trust	175.00
Hill Samuel US Smaller Cos	UK Unit Trust	174.21
TSB OIF Pan American	Offshore Terr.	173.29
Share Mexico	Luxembourg	173.00
Citifunds Citicare	Offshore Terr.	172.86
Berger One Hundred Fund	US Mutuals	172.56
John Hancock Spl Equities	US Mutuals	172.53

Over five years to Dec. 2, 1991

Fund	Domicile	Performance
GNI Spread	Offshore Terr.	723.19
Formosa Fund	Offshore Terr.	631.91
Morgan Grenfell Japan Smlr Cos.	Offshore Terr.	475.11
Gamut Investments	Offshore Terr.	455.01
Financial Strat-Health Sc.	US Mutuals	401.73
Quantum Fund	Offshore Terr.	373.13
Taipei Fund NAV	Offshore Terr.	371.78
NM Australian	UK Unit Trust	359.47
Newton Income	UK Unit Trust	340.48
Mercury Metals	Offshore Terr.	339.88
Schroder Japanese Sm Cos.	UK Unit Trust	333.08
Fidelity Select-Biotech	US Mutuals	332.72
Alliance Health Care	Luxembourg	321.46
JF Philippine	Offshore Terr.	318.73
Finistere Jap Smlr. Cos Life	Offshore Terr.	297.87
Wardley South East Asia	Offshore Terr.	295.45
Falcon	Offshore Terr.	295.43
Putman Emerging Health Science	Luxembourg	293.91
GT Newly Industrised Countries	Offshore Terr.	293.71
Fidelity Select-Health	US Mutuals	292.60

Micropal

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INTERNATIONAL FUNDS Dec. 20, 1991

Quotations supplied by funds listed. Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price. The marginal symbols indicate frequency of quotations supplied: d - daily; w - weekly; b - bi-monthly; r - regularly; t - twice weekly; m - monthly

ABACUS FUNDS
w Abacus Fund Ltd $ 5.89
b Abacus Guart.Fd. Mar 94 $ 8.93
b Abacus Guart.Fd. July 95 $ 9.39
ABC INVESTMENT & SERVICES CO (E.C.)
m ABC Futures Fund Ltd $ 109.12
ABN AMRO BANK, P.O. Box 660, Amsterdam
w ABN AMRO Aandelenfonds Fl 78.85
w ABN AMRO America-Fd $ 34.51
w ABN-Belegginsfds Ned. Fl 57.29
w Aldollar $ 26.18
w Alrento Fl 189.00
w Asian Tigers Fund $ 32.57
w Columbia Securities Fl 114.15
w LDC Risk Inv. Fund $ 1294.81
w Trans Europe Fund $ $ 42.67
w Trans Europe Fond Fl Fl 75.86
AIG FUND MANAGEMENT Ltd
d AIG Amer. Eq. Trust $ 27.4956
w AIG Balanced World Fd $ 108.8492
w AIG Japan Fund $ 99.6110
b AIG South East Asia Fd $ 106.8514
d High Life Fund Ecu 9.32
d UBZ Euro-Optimizer Fund Ecu 10.72
d UBZ Liquidity Fund $ $ 104.7189
d UBZ Liquidity Fund DM DM 105.7090
d UBZ Liquidity Fund Ecu Ecu 103.4637
d UBZ Liquidity Fund SF SF 105.6594
ALFRED BERG
d Alfred Berg Norden $ 129.51
Alfred Berg Sicav
d Germany $ 123.49
d Global $ 128.67
d Netherlands $ 94.90
d North America $ 95.87
d Switzerland £ 88.11
d U.K. £ 100.77
ALPHA ASSET MANAGEMENT Ltd
De Ruyterkade 62, Curacao NA 5999 617844
m Alpha Europe Fund Ecu 225.24
m Alpha Futures Fund Ltd $ 155.67
m Alpha Global Fund $ 442.98
m Alpha Hedge Fund $ 342.12
m Alpha Japan Spec. Hge Fd $ 248.33
m Alpha Neutral $ 101.70
m Alpha Pacific Fund Ltd $ 272.14
m Alpha SAM $ 103.46
m Alpha Short Fund Ltd $ 98.35
m Alpha Spec. Situation Fd $ 317.14
m Alpha Tilldale Fund $ 137.93
m Alpha Worthington $ 97.79
m Curren-Alpha Hlth Care Fd $ 341.10
w Heisei Japan Fund Y 11544.00
w Nicholas-Applegate Aurelia $ 181.12
w Nicholas-Applegate Hge Fd $ 132.28
ARRAL ASSOCIATES Ltd
w Arral American Quant Fd $ 9.56
w Arral Asian Fund $ 158.29
w Arral Int'l Hedge Fund $ 111.68
BA GATEWAY FUND
w Germany Fixed Income DM 103.93
w Belgium Fixed Income BF 11229.00
w US Dollar Fixed Income $ 112.28
w Int'l Portfolio A $ 99.94
w Int'l Portfolio B $ 105.04
w Japan Equity Y 9329.00
w Pacific Equity $ 92.79
BANQUE BELGE ASSET MGMT FUND
Share Distributor Guernsey 0481 726414
w Int'l Equity Fund (Sicav) $ 18.94
w Int'l Bond Fund (Sicav) $ 13.67
w Dollar Zone Bd Fd (Sicav) $ 10.88
w Sterling Equity Fd (Sicav) £ 0.942
w Sterling Bd Fd (Sicav) £ 1.150
BANQUE DE GESTION E. DE ROTHSCHILD LUXEMBOURG S.A.
b Eagle Fund LF 8814.00
b Government Secur. Fd $ 68.53
w Hispano Int'l Fond Ecu 11.37
w Leicom $ 1844.87
b Opportunities $ 896.45
b Optigest Cursitor Gen. DM 140.87
b Optigest Fixed Inc. DM 118.84
b Prifirst $ 519.85
b Prirop Fund DM 38.15
w Rente Plus BF 4874.80
f Select, Horizon FF FF 68340.35
b Star Convert. Fd Fl Fl 11806.00
b Star Convert. Fd US$ $ 105.36
d The Europe Japan Fund $ 9.17
BANQUE INDOSUEZ
w The Dragon Fund Sicav $ 102.56
m Galaxy Futures Fund Ltd $ 118.09
m Dual Futures Fd Cl A Units $ 114.78
m Dual Futures Fd Cl B Units $ 113.94
m Dual Futures Fd Cl C Units $ 107.18
m Dual Futures Fd Cl D Units $ 110.39
m Maxima Fut. Fd Ser. 1 Cl. A $ 104.48
m Maxima Fut. Fd Ser. 1 Cl. B $ 106.07
w IPNA-3 $ 307.00
w Asian Growth Fund $ 23.72
w ISA Japan Reg. Gr. Fund Y 884.00
w Pacific Gold $ 11.19
w Asian Income Fund $ 8.99
w Himalayan Fund $ 11.31
w Manila Fund $ 8.58
w Malacca Fund $ 11.44
w The Siam Fund $ 21.40
d Indosuez Hong Kong Fund $ 21.975
w Oriental Venture Trust $ 39.145
w North American Fund $ 34.870
d Singap & Malay Trust $ 13.965
w Pacific Trust HK$ 20.630
d Tasman Fund $ 4.540
d Japan Fund $ 13.600
w Managed Trust $ 18.740
d Japan Warrant Fund $ 1.35
d Worldwide Growth Fund $ 9.73
BANQUE PRIVEE E. DE ROTHSCHILD
w Daiwa Capital Eq. Fund $ 936.93
w Daiwa LCF Rothschild $ 1080.95
w Ecu d'Or Ecu 65.92
b Source Sicav $ 13.83
BANQUE SCANDINAVE A LUXEMBOURG
w Universal Eurosec ECU Ecu 94.31
w Universal Finnsec Global FM 118.43
w Universal Intelbond FRF A FF 106.98
w Universal Intelbond FRF B FF 117.86
w Universal Intelbond USD A $ 17.86
w Universal Intelbond USD B $ 17.75
w Universal Intelsec USD A $ 14.23
w Universal Intelsec USD B $ 14.39
BANQUE SCANDINAVE EN SUISSE-GENEVA
w Intelbond Chf SF 78.76
w Intelsec Chf SF 158.78
w Swissfund Chf SF 96.39
BDD ASSET MGMT (LUXEMBOURG) S.A.
w BDD Inv. Fund-Ecu Bonds Ecu 5883.61
w BDD Inv. Fund-Ecu Cash Ecu 5854.87
w BDD Inv. Fund-US$ Bonds $ 4980.37
w BDD Inv. Fund-US$ Cash $ 4997.84
BEARBULL
w BB Forex Ltd $ 1185.08
w BB Futures Ltd $ 1084.44
w BB Global Ltd BEF BF 1172.00
w BB Global Ltd CHF SF 16.75
w BB Global Ltd FRF FF 181.57
BNP LUXEMBOURG
w Intereco Fund A Ecu 293.30
w Intereco Fund B Ecu 1130.93
INTER CASH
f France Monetaire FF 12238.61
f France Securite FF 14348.39
f Inter Cash DM DM 2208.59
f Inter Cash Ecu Ecu 1571.60
f Inter Cash GBP £ 1258.34
f Inter Cash USD $ 1158.33
f Inter Cash Yen Y 155742.00
INTER OPTIMUM
w Interbond US$ $ 242.19
w BEF/LUF BF 82300.00
w Multidevises DM DM 2337.44
w US$ $ 1149.98
w FRF FF 12197.22
INTER STRATEGIE
w Australie AS

w France FF 9327.96
w Europe du Nord £ 957.44
w Europe du Centre DM 1095.28
w Europe du Sud Ecu 849.84
w Japon Y 122607.00
w Amerique du Nord $ 1163.10
w Sud-Est Asiatique $ 845.99
BROADGATE INTERNATIONAL FUND
d $ Money Market $ 14.86
d Non - $ Money Market DM 36.14
d $ Bond $ 14.89
d Non - $ Bond DM 34.58
d Global Equity $ 17.31
d Global Bond $ 17.14
d Global Bond & Equity $ 15.81
d Prec. Mets / Min. Secs $ 5.24
d Pacific Equities $ 18.84
d European Equities £ 9.51
CAISSE CENTRALE DES BANQUES POP.
d Fructilux Oblig. Fses FF 4956.07
d Fructilux Oblig. Euro Ecu 1278.68
d Fructilux Court Terme FF 7040.54
w Fructilux Actions Fses FF 6378.55
w Fructilux Actions Euro Ecu 1107.95
CALLANDER
w Callander Emer. Growth $ 135.81
w Callander F-Asset $ 96.11
w Callander F-Austrian AS 1139.27
w Callander F-Spanish Pta 7808.00
w Callander F-US Health Care $ 99.97
w Callander Swiss Growth SF 116.13
CAPITAL INTERNATIONAL
w Capital Int'l Fund $ 97.08
w Capital Italia SA $ 36.09
CDC INTERNATIONAL
w CPI Court Terme FF 144929.98
w CPI Long Terme FF 1264394.15
CIC GROUP
d Oblicic Court Terme FF 13873.93
d Oblicic Mondiale FF 13819.93
CITICORP INVESTMENT BANK (Lux)
POB 1373 Luxembourg Tel. 477 95 71
d Citinvest Guardian Euro Ecu 1185.60
d Citinvest Mngd Growth $ 1212.98
d Citinvest Mngd Grth Euro Ecu 1071.26
d Citinvest Selector $ 949.45
d Citicurrencies US$ $ 1519.47
d Citicurrencies Managed $ 135.16
d Citicurrencies STG £ 137.66
d Citicurrencies DEM DM 120.24
d Citicurrencies Yen Y 11484.00
d Citiport N.A. Equity $ 200.93
d Citiport Japan Equity Y 5280.00
d Citiport UK Equity £ 108.97
d Citiport IAPEC $ 142.15
d Citiport Cont. Euro. Equity Ecu 128.21
d Citiport Eamec $ 88.92
d Citiport German DM 75.25
d Citiport Swiss SF 88.56
d Citiport French Equity FF 1089.27
d Citiport Australian Equity AS 95.28
d Citiport N.A. $ Bond $ 140.34
d Citiport Euro Bond Ecu 122.43
d Citiport Pacific Bond Y 12289.00
d Citiport Austr. Dollar Bond AS 103.88
CITITRUST
w US $ Equities $ 229.97812
w US $ Bonds $ 14.97405
w US $ Money Market $ 14.45513
w Citiland $ 984.88332
w Citiperformance Ptfl A $ 9.26709
w Citiperformance Ptfl B $ 9.45609
m The Good Earth Fund $ 14.88465
COMPASS INTL HOLDINGS Ltd.
POB 455, Jersey 0534 27267
w Bond : Dollar Med. Term $ 11.32
w Bond : Ecu Multicurr. Ecu 18.81
w Equity : United Kingdom £ 7.39
CRAGNOTTI & PARTNERS
w C & P Futures 1 Fund $ 995.36
w C & P Diversified Fund $ 998.61
CREDIT AGRICOLE : MOSAIS
d Actions Int'l Diversifiees FF 108.78
d Actions Nord-Americaines $ 18.49
d Actions Japonaises Y 1843.25
d Actions Anglaises £ 11.36
d Actions Allemandes DM 38.92
d Actions Francaises FF 102.67
d Actions Esp. & Port. Pta 2259.63
d Actions Italiennes Lit 25614.00
d Actions Bassin Med. Ecu 16.32
d Actions Bassin Pacifique $ 15.72
d Actions Europeennes Ecu 14.94
d Actions Agro-Aliment. FF 109.79
d Actions Sect. Comm. FF 90.83
d Oblig Int'l Diversifiees FF 112.20
d Oblig Nord-Americaines $ 17.33
d Oblig Japonaises Y 2194.21
d Oblig Anglaises £ 11.35
d Oblig Allemandes DM 32.63
d Oblig Francaises FF 120.14
d Oblig Esp. & Port. Pta 2324.89
d Oblig Italiennes Lit 27839.70
d Oblig Europeennes Ecu 17.72
d Oblig Haut Rendement $ 18.36
d Oblig Div Sensib Red FF 112.27
d Oblig Convert. Intern. FF 113.55
d Court Terme Ecu Ecu 17.91
d Court Terme US$ $ 16.42
d Court Terme FF FF 117.38
CREDIT COMMERCIAL de FRANCE
d CM Actibonds $ 37.43
w CM Global Growth $ [illegible]
d Elysees Monetaire FF 73497.34
d Europe Prest. Fund A Ecu 8.58
d Europe Prest. Fund B Ecu 10.41
CREDIT SUISSE
d CSF Bonds SF 73.217
d Bond Valor Swf SF 92.701
d Bond Valor US - Dollar $ 115.192
d Bond Valor D - Mark DM 101.928
d Bond Valor Yen Y 9586.400
d Bond Valor £ Sterling £ 94.187
d Convert Valor Swf SF 134.353
d Convert Valor US - Dollar $ 182.054
d CSF International SF 128.310
d Actions Suisses SF 518.758
d Europa - Valor SF 198.744
d Energie - Valor SF 131.267
d Canasec $ 480.981
d Ussec $ 622.272
d Pacific - Valor SF 120.480
d CS Gold Valor $ 104.935
d CS Tiger Fund $ 685.529
d CS Ecu Bond A Ecu 96.561
d CS Ecu Bond B Ecu 141.430
d CS Gulden Bond A Fl 92.130
d CS Gulden Bond B Fl 122.644
d CS Hispano Iberia Fd A Pta 20203.800
d CS Hispano Iberia Fd B Pta 28769.580
d CS Euro Finance Fd A DM 104.551
d CS Euro Finance Fd B DM 194.551
d CS Prime Bond A DM 72.434
d CS Prime Bond B DM 111.634
d CS Europa Bond A DM 253.452
d CS Europa Bond B DM 305.441
d CS Fixed I SF 7% 1/96 SF 105.551
d CS Fixed I DM 8% 1/96 DM 108.608
d CS Fixed I Ecu 8 3/4% 1/96 Ecu 109.702
d CS Euro Blue Chips A DM 212.171
d CS Euro Blue Chips B DM 216.092
d CS Short-T. Bond $ A $ 101.887
d CS Short-T. Bond $ B $ 142.434
d CS Short-T. Bond DM A DM 94.433
d CS Short-T. Bond DM B DM 126.456
d CS Money Market Fd $ $ 1662.789
d CS Money Market Fd DM DM 1446.489
d CS Money Market Fd £ £ 1973.284
d CS Money Market Fd Yen Y 134345.310
d CS Money Market Fd C$ C$ 1144.344
d CS Money Market Fd Ecu Ecu 1138.084
d CS Money Market Fd SF SF 5079.471
d CS Money Market Fd HFl Fl 1017.472
d CS Money Market Fd Lit Lit 1071178.820
d CS Money Market Fd FF FF 5089.622
d CS Oeko-Protec A DM 229.178

d CS North American Fd A/B $ 197.294
d CS UK Fund A/B £ 93.643
d CS France Fund A/B FF 950.575
CSFB FUND MGMT Ltd (0481-712996)
PB122, St Peter Port, Guernsey
w Islamic Mgmd Fund Ltd. $ 976.86
DIT INVESTMENT FFM
d Concentra + DM 42.34
d Int'l Rentenfond + DM 71.11
EBC TRUST CO. (Jersey) Ltd
1-3 Sele St. St Helier : 0534-36331
EBC AMRO TRADED CURRENCY FUND
d Capital $ 24.411
d Income $ 15.934
INTERNATIONAL INCOME FUND
d Long Term $ 37.8116
ECU FUTURES PLC (44 71 235 3011)
d Ecu Plc Omega Fond £ 1.84
d Ecu Plc Rovden Fond £ 1.21
d Info Fund £ 1.85
EQUIFLEX LIMITED
w North America A Fl 10.94
EURO PACIFIC ADVISERS Ltd
w Meteore Y 110124.00
w Pacific Horizon Invt. Fd $ 1988.14
FIDELITY INT'L INV. SERVICES (Lux)
d Balanced Pfl Hedged $ 11.56
d Balanced Pfl Unhedged $ 11.30
d Conv. Securities Pfl $ 8.25
d Discovery Fund $ 18.54
d Dollars Savings Trust $ 192.36
d Far East Fund $ 67.42
m Fid. Amer. Assets $ 163.50
m Fid. Amer. Values III Com $ 83.94
m Fid. Amer. Values IV $ 115742.00
d Fid. Australia Fund $ 14.75
d Frontier Fund $ 29.74
d Global Ind Fund $ 16.03
d Global Selection Fund $ 13.01
d International Fund $ 15.59
d New Europe Fund $ 7.28
d Orient Fund $ 105.85
d Pacific Fund $ 312.12
d Special Growth Fund $ 22.90
d World Fund $ 78.45
FOKUS BANK A.S. 472 428 555
w Scandfonds Int'l Growth Fd $ 1.49
GAIA CURRENCY FUNDS
w Gaia Hedge I $ 105.10
w Gaia Hedge II $ 214.55
w Gaia Hedge III $ 37.84
w Gaia Swiss Franc Fd SF 88.28
m Gaia Guaranteed Cl. I $ 75.48
m Gaia Guaranteed Cl. II $ 77.71
GAM ANLAGEFONDS AG.
POB 164, 8034 Zurich Tel : 41-1-2514648
d GAM (CH) Mondial SF 1249.00
d GAM (CH) Pacific SF 1854.00
d GAM (CH) America SF 1039.00
d GAM (CH) Europe SF 73.00
GAM TRADITION ANGLEFONDS AG.
d GAM Tradition SF 848.00
GARTMORE FUND MANAGERS INT.
45, La Motte Street, Jersey 0534 27301
CAPITAL STRATEGY FD Ltd
d American Fund $ 1.698
d Canadian Fund C$ 0.8794
d British Fund £ 2.397
d European Fund DM 4.953
d Eastern European Fd DM 3.579
d Asia Pacific Fund $ 2.203
d Japan Fund Y 547.4
d Australasian Fund $ 0.3409
d Global Resources Fund $ 0.7262
d Emerging Markets Fund $ 1.043
d International Growth Fd $ 3.047
d Sterling Bond Fund £ 1.884
d Ecu Bond Fund Ecu 1.0040
d International Bond Fd $ 7.331
d Global Conv. Bond Fd $ 17.88
d US Dollar Deposit $ 1.037
d Sterling Deposit £ 1.087
d French Franc Deposit FF 10.45
d Swiss Franc Deposit SF 5.288
d DM Deposit DM 5.322
d Yen Deposit Y 525.8
d Austr. Dollar Deposit AS 1.069
GARTMORE INDOSUEZ FUNDS 19/12/91
Tel : (352) 46 54 24 470
Fax : (352) 46 54 23
BOND PORTFOLIOS
d Deutsche Mark Bond DM 5.31
d Diverbond SF 2.64
d Dollar Bond $ 2.28
d European Bond Ecu 1.08
d French Franc Bond FF 10.56
d Global Bond $ 2.24
d Sterling Bond £ 0.98
EQUITY PORTFOLIOS
d Developing Markets $ 2.47
d Europe Ecu 1.03
d France FF 9.78
d Germany DM 4.52
d International $ 2.13
d Japan Y 248.00
d Natural Resources $ 1.77
d North America $ 2.14
d Pacific $ 2.29
d Singapore/Malaysia SG$ 5.10
d Switzerland SF 2.46
d United Kingdom £ 1.11
RESERVE FUNDS
d Deutsche Mark Reserve DM 5.38
d Dollar Reserve $ 2.07
d French Franc Reserve FF 10.63
d Sterling Reserve £ 1.09
d Yen Reserve Y 271.00
GEFINOR FUNDS
London : 071-4994171, Geneva : 41-22355530
w East Investment Fund $ 812.52
w Scottish World Fund $ 199.7467
w State St. American $ 275.76
GENERALE BANK
(See also Interselex Group)
d Rentinvest $ 28.65
d Capital Rentinvest $ 161.38
d Rentinbel Distribution LF 9773.00
d Rentinbel Capitalization LF 12648.80
GENESEE FUND Ltd
w (B) Genesee Short $ 78.06
w (C) Genesee Opportunity $ 117.57
w (E) Genesee Balanced $ 107.85
GLOBAL ASSET MANAGEMENT
11 Athol St.Douglas.I.of Man 44-624-626037
w GAM Arbitrage Inc. $ 279.39
w GAM America Inc. $ 277.31
w GAM Australia Inc. $ 141.00
w GAM ASEAN Inc. $ 191.34
w GAM Boston Inc. $ 331.47
w GAM Selection Inc. $ 434.41
w GAM European Inc. $ 93.97
w GAM Europe Fund $ 80.18
w GAM Franc-Val Inc. SF 176.59
w GAM France Inc. FF 1404.62
w GAM Global Fund $ 109.89
w GAM High Yield Inc. $ 111.44
w GAM Hong Kong Inc. $ 242.75
w GAM International Inc. $ 144.41
w GAM Japan Inc. $ 656.99
w GAM North America $ 123.94
w GAM Money Mkts Fd $ $ 102.28
w GAM Money Mkts Fd £ £ 104.53
w GAM Money Mkts Fd SF SF 103.59
w GAM Money Mkts Fd DM DM 104.18
w GAM Money Mkts Fd Yen Y 10191.00
w GAM Mlti-Mkr Fd Inc Alloc$ $ 116.27
w GAM Mlti-Mkr Fd IncGenEq$ $ 177.76
w GAM Mlti-Mkr Fd Trading $ 116.85
w GAM Mlti-Mkr Deferred Cl.$ $ 111.93
w GAM Mlti-Mkr Fd Euro $ 108.05
w GAM Overseas Inc. $ 96.96

w GAM Pacific Basin Fund $ 133.26
w GAM Pacific Inc. $ 570.80
w GAM Restr. Fund Inc. $ 122.75
w GAM Singap-Malay Inc. $ 242.48
w GAM Swiss Fr Spec Bd Fd SF 100.31
w GAM Value Inc. $ 83.44
w GAM Worldwide Inc. $ 411.36
w GAM Tyche S.A. Class A $ 259.21
w GAM Univ. Spain Inc. SF 189.77
w GAM Americana Inc. DM 104.79
w GAM Americana Acc. DM 104.39
w GAM Orient Inc. DM 93.38
w GAM Orient Acc. DM 93.38
w GAM Univ. D-Mark Acc. DM 114.16
w GAM Univ. D-Mark Inc. DM 111.59
w GAM Univ. Dollar Acc. $ 110.12
w GAM Univ. Dollar Inc. $ 107.91
w GAM U.S. Inc. $ 208.42
w GAM Whitehorn Fund Inc. $ 166.79
w GAM UT Inc. $ 488.85
w GSAM Composite Inc. $ 254.86
w GAM Bond Fd Inc. US Ord. $ 125.82
w GAM Bond Fd Inc. US Spe. $ 147.00
w GAM Bond Fd Inc. SF SF 83.43
w GAM Bond Fd Inc. Yen Y 12596.00
w GAM Bond Fd Inc. DM DM 97.13
w GAM Bond Fd Inc. £ £ 124.67
w GAM Sterling Spec. Bd Fd £ 113.44
GT MANAGEMENT PLC (44 71 230 45 67)
d G.T. ASEAN Fund $ 41.54
d G.T. Asia Fund $ 17.90
d G.T. Australia Fund $ 26.70
d G.T. Barry Japan Fund $ 24.48
d G.T. Biotech/Health Fd $ 21.07
d G.T. Bond Fund $ 18.51
d G.T. Deutschland Fund $ 11.46
d G.T. Dollar Fund $ 23.55
w G.T. Emerging Mkts Fd $ 12.10
w G.T. Euro Small Co Fd $ 30.76
d G.T. Europe Fund $ 31.55
w G.T. Global Small Co Fd $ 16.39
d G.T. Hong Kong Fund $ 36.68
d G.T. Honshu Pathfinder $ 10.43
d G.T. Investment Fund $ 15.65
w G.T. Japan OTC Stocks Fd $ 18.24
w G.T. Japan Small Co Fd $ 13.73
w G.T. Korea Fund $ 4.68
w G.T. Latin America Fd $ 15.88
w G.T. Newly Ind Countr Fd $ 28.08
r G.T. Technology Fund $ 48.42
d G.T. UK Small Companies £ 7.54
d G.T. US Small Companies $ 15.75
HILL SAMUEL INVEST. MGMT. INTL S.A.
Jersey, P.O. Box 63, Tel (0534) 76 48 14
Berne, P.O. Box 2622, Tel 41 31 224051
d Crossbow (For East) SF 14.00
d CSF (Balanced) SF 38.79
d European Equity Fund DM 17.22
d Int'l Bond Fund $ 14.09
d Int'l Currency US $ 27.98
d Int'l Currency US Mngd $ 20.27
d ITF Fd (Technology) $ 14.79
d O'Seas Fd (N. America) $ 50.63
IAM, 2 Bd. Royal LUXEMBOURG
w IAM Flagship Fund Ecu 76.31
w IAM Bonds Fd-France A FF 669.83
w IAM Bonds Fd-Japon C Y 11125.00
w IAM Bonds Fd Div. I FF 518.27
w IAM Europe Luxe Ecu 88.38
w IAM Europe du Sud Ecu 78.82
INTERSELEX GROUP
d Int. America Sicav $ 18.01
d Int. Belge Sicav BF 2483.00
d Int. Europa Sicav LF 5608.00
d Int. Pacific Sicav $ 96.73
d Int. World Distr. Sicav $ 95.73
INVESCO MIM INT'L, POB 271, Jersey
Tel: 44 534 73114
d Maximum Income Fund £ 1.0000 *
d Sterling Mngd Ptfl £ 1.5490
d Pioneer Markets £ 3.0080
d UK Growth Fund £ 1.1130
d Gold & Precious Metals $ 0.8290 *
d Japan Dollar Perf. Fund $ 2.7980
d Jersey Gilt Fund £ 0.1868
d Okasan Global Strategy $ 16.8600
d Asia Super Growth $ 12.8200
d Nippon Warrant Fund $ 4.4500
d Asia Tiger Warrant $ 1.5900
d European Warrant Fund $ 7.6900
d Gtd. N.W. 1994 $ 8.5200
PREMIER SELECT FUNDS
d American Growth $ 4.8000
d American Enterprise $ 7.0100
d Asia Tiger Growth $ 5.4400
d Dollar Reserve $ 5.1200
d European Growth $ 4.1000
d European Enterprise $ 4.8700
d Global Emerging Markets $ 5.4400
d Global Growth $ 4.6700
d Nippon Enterprise $ 6.3300
d Nippon Growth $ 4.4600
d North American Warrant $ 6.0000
ITALFORTUNE INTL. FUNDS
w Class A (Aggr. Growth Ital.) $ 45.77
w Class B (Global Equity) $ 10.73
w Class C (Global Bond) $ 11.77
w Class D (Ecu Bond) Ecu 10.52
JARDINE FLEMING, GPO Box 11448 Hg Kg
d JF ASEAN Trust $ 21.71
d JF Far East Wrnt Tr. $ 9.88
d JF Gbl Conv. Tr. $ 11.22
d JF Hong Kong Trust $ 9.40
d JF Japan Sm. Co Tr. Y 53977.00
d JF Japan Trust Y 14450.00
d JF Malaysia Trust $ 8.95
d JF Pacific Inc. Tr. $ 80.21
d JF Thailand Trust $ 11.34
JOHN GOVETT MANT (I.O.M.) LTD
Tel: 44.624 - 62 94 20
w Govett Man. Futures £ 13.87
w Govett $ Gear. Curr. $ 15.26
w Govett Man. Fut. US$ $
JULIUS BAER GROUP
d Baerbond SF 941.00
d Conbar SF 1587.00
d D-Mark Baer Bond Fund DM 1015.00
d Dollar Baer Bond Fund $ 1219.00
d Emerging Europe Fund DM 94.90
d Equibaer America $ 2846.00
d Equibaer Europe SF 1466.00
d Europe Bond Fund Ecu 117.00
d Liquibaer $ 2071.80
d Multiadvisor Forex Fd $ 99498.00
d SFR - BAER SF 1022.00
d Stockbar SF 1914.00
d Swissbar SF 3910.00
KIDDER, PEABODY
b Chesapeake Fund Ltd $ 1538.23
b Int'l Guaranteed Fund $ 1077.13
b Stonehenge Ltd $ 1284.51
b The Gbl Asset Alloc Fd Ltd $ 875.21
b The Krieger Curr. Fd Ltd $ 900.00
KLEINWORT BENSON SELECT FUND
d British Fund Ecu 1.89
d Emerging Asia Fund Ecu 1.59
d European Fund Ecu 1.71
d International Ecu 1.62
d Japanese Fund Ecu 1.57
d Kansallis World Fund FM 11.87
d North American Fund Ecu 1.90
d Pacific Fund Ecu 1.67
d Sicav Dollar Bond $ 1.89
d Sicav Intnl Bond Ecu 1.97
d Sicav Sterling Bond £ 1.94
LATIN AMERICAN MANAGEMENT Co Ltd
Tel : London 071 628 1234
w Argentinian Invest Co Sicav $ 26.42
w Brazilian Invest Co Sicav $ 17.78
w Mexican Invest Co Sicav $ 26.19

LIPPO ASIA LIMITED
w Java Fund $ 5.02
LLOYDS BANK PLC, POB 438, Geneva 11
Dealis 41-22-3073208/Inquir. 41-22-3073210
w Lloyds Int'l Dollar + $ 111.00
w Lloyds Int'l Europe + SF 178.38
w Lloyds Int'l Growth + SF 197.80
w Lloyds Int'l Income + SF 202.00
w Lloyds Int'l N. America + $ 189.90
w Lloyds Int'l Pacific + SF 155.10
MAGNUM FUTURES FUND Ltd
m Deutschemark Class DM 15.26
m Sterling Class £ 4.53
m US Dollar Class $ 7.33
MALABAR CAP MGMT (Bermuda) Ltd
m Malabar Int'l Fund $ 11.29
MAN INTERNATIONAL FUTURES
m Mint Limited - Ordinary $ 39.17
m Mint Limited - Income $ 12.97
m Mint Gtd Ltd - Spec Issue $ 27.54
m Mint Gtd Ltd - Nov 1993 $ 17.18
m Mint Gtd Ltd - Jan 1994 $ 15.63
m Mint Gtd Ltd - Dec 1994 $ 13.97
m Mint Gtd Ltd - Aug 1995 $ 11.50
m Fsma Mkd Gtd Plc $ 103.53
m Mint Sp Res Ltd (BNP) $ 96.73
m Newcastle Guaranteed Ltd $ 10.24
m Alubal Mint Gtd. Fund Ltd $ 101.32
m Athena Diversified Fut. $ 9.71
m Athena Guaranteed Fut. $ 9.87
d Athena Guaranteed Curr. $ 10.33
MERRILL LYNCH
d Dollar Assets Portfolio $ 1.00
d Iberia Portfolio $ 9.03
d Merrill Lynch Short-Term
d World Income Portfolio
d Class A $ 9.76
d Class B $ 9.76
d Prime Rate Portfolio $ 10.00
d World Nat Res Ptfl Sh A $ 11.85
d World Nat Res Ptfl Sh B $ 10.85
MERRILL LYNCH MLT NAT'L INV PFL
GLOBAL CURRENCY BOND SERIES
Australian Dollar Portfolio
d Category A AS 15.46
d Category B AS 15.48
Canadian Dollar Portfolio
d Category A C$ 12.35
d Category B C$ 12.33
Deutsche Mark Portfolio
d Category A DM 11.81
d Category B DM 11.80
Pound Sterling Portfolio
d Category A £ 12.66
d Category B £ 12.62
US Dollar Portfolio
d Category A $ 12.54
d Category B $ 12.56
Yen Portfolio
d Category A Y 1111.00
d Category B Y 1110.00
Multi Currency Bond Ptfl
d Class A $ 19.00
d Class B $ 18.89
US Federal Securities Ptfl
d Class A $ 9.82
d Class B $ 10.34
MERRILL LYNCH MLT NAT'L INV PFL
EQUITY / CONVERTIBLE SERIES
BASIC VALUE PORTFOLIO
d Class A $ 10.35
d Class B $ 10.15
CONVERTIBLE SECURITIES PTFL
d Class A $ 11.65
d Class B $ 11.51
GLOBAL EQUITY PORTFOLIO
d Class A $ 8.80
d Class B $ 8.52
EURO EQUITY PORTFOLIO
d Class A $ 10.34
d Class B $ 10.21
LATIN AMERICA PORTFOLIO
d Class A $ 10.85
d Class B $ 10.05
MULTIMANAGER N.V.
w European Curr. Bond Fd Ecu 10.78
w European Growth Fd Ecu 10.47
w Yen Bond Fund Y 1059.80
w Japanese Growth Fd Y 840.00
w Forex Fund $ 10.36
w American Growth Fd $ 10.24
m Emerging Markets Fd $ 14.16
m Futures Fd $ 9.80
NIMARBEN
w Class A $ 240.43
NMB BANK, PO 1800, 1000 BV Amsterdam
w NMB Dutch Fund Fl 41.00
w NMB Euromix Growth Fd LF 2385.00
w NMB Real Estate Fund Fl 38.20
w The Brazil Fund $ 1.2272
NOMURA INTL. (HONG KONG) Ltd
d Nomura Jakarta Fund $ 6.37
NOMURA INVEST BANKING (M.E) E.C.
d Nomura Gulf Fund $ 8.20
NORIT CURRENCY FUND
m NCF USD $ 944.31
m NCF DEM DM 947.59
m NCF CHF SF 948.23
m NCF FRF FF 4768.08
m NCF JPY Y 94395.00
m NCF BEF BF 28468.00
OBLIFLEX LIMITED
w Multicurrency $ 27.36
w Dollar Medium Term $ 20.44
w Dollar Long Term $ 17.44
w Japanese Yen Y 4832.00
w Pound Sterling £ 20.31
w Deutsche Mark DM 14.59
w Dutch Florin Fl 14.49
w HY Euro Currencies Ecu 12.31
w Swiss Franc SF 11.12
w US Dollar Short Term $ 11.66
w HY Euro Curr Divid Pay Ecu 10.27 *
w Swiss Multicurrency SF 13.76
w European Currency Ecu 17.52
w Belgian Franc BF 107.54
w Convertible $ 11.85
w French Franc FF 123.28
w Swiss Multi-Dividend SF 9.30 *
w Canadian Dollar C$ 11.39
w Dutch Florin Multi Fl 12.22
w Swiss Franc Divid Pay SF 10.07 *
w Short Term Global Income $ 1.969
w Short Term Global Divid $ 1.969
OLYMPIA Capital Intl. BVI
c/o OCM, 11 Av. Friedland 75008 PARIS
Tel: 33-1-49539838 Fax: 33-1-42567009
w Finsbury Group $ 162.39
w Olympia Securite SF SF 143.37
w Olympia Securite US$ $ 102.19
w Winch. Capital $ 102.10
w Winch. Frontier $ 274.39 *
w Winch. Fut. Olympia Star $ 107.89 *
w Winch. Hldg Int'l Madison Ecu 1134.63
w Winch. Hldg Int'l Ser D Ecu 1315.32
w Winch. Hldg Int'l Ser F Ecu 1334.11
w Winch. Hldg US$ $ 16.75
w Winch. Reser. Multi. Gvbd $ 16.14
OPTIMA FUND MANAGEMENT
6 Front St. Hamilton,Bermuda (809 295-4800)
w Optima Fund $ 14.25
w Optima Futures Fund $ 10.86
w Optima Short Fund $ 9.62
PARIBAS-GROUP
d Cortexa International $ 114.70
d Europhenix Ecu 182.97
d Luxor $ 8.87
d Par US Treas. Bond Cl B $ 148.83
d Parinter Bond Fund $ 76.06
d Parinter Fund $ 219.36
w Parvest Obli-DM A DM 1245.93

w Parvest Obli-DM B DM 1492.89
w Parvest Obli-Dollar A $ 1209.09
w Parvest Obli-Dollar B $ 1556.19
d Parvest Obli-Franc A FF 1440.44
d Parvest Obli-Franc B FF 1541.21
d Parvest Obli-Gulden A Fl 990.20
d Parvest Obli-Gulden B Fl 1246.39
d Parvest Obli-Sterling £ 122.76
w Parvest Obli-Yen A Y 109354.00
w Parvest Obli-Yen B Y 132934.00
PERMAL GROUP
b Drakkar Growth $ 2591.07
b EuroMir (Ecu) Ltd Ecu 1203.86
b Media Ltd $ 1034.13
b Nascal Ltd $ 1621.67
w Updyke Ltd $ 274.00
b Value N.V. $ 2083.14
PICTET & CIE - GROUP
d Pictet Valsuisse (CH) SF 402.95
b Eur. Opportunity (Lux) Ecu 90.52
b Eurovol (Lux) Ecu 158.85
b Global Value (Lux) Quant. Ecu 114.11
m Intl Small Cap (IOM) $ 317.00
m Emerging Markets Fund Ecu 105.980
PIERSON, HELDRING & PIERSON N.V.
Rokin 55, 1012kk, Amsterdam (20-5211188)
w Asia Pac. Growth Fd N.V. $ 28.67
w Asian Selection Fd N.V. Fl 50.95
w DP Amer. Growth Fd N.V. $ 32.45
w EMS Offshore Fd N.V. Fl 98.85
w Environment Growth Fund Fl 48.61
w Eur. Growth Fund N.V. Fl 47.80
w Japan Diversified Fund $ 44.96
w Leveraged Cap Hold $ 448.83
w Tokyo Pac. Hold. N.V. $ 215.92
PRISM ASSET MANAGEMENT
(212) 332-1022 advisor to :
d Prism Futures Fd (EFF) $ 307.87
d Conqueror Fund Ltd $ 92.38
d Apex Fund Ltd $ 114.57
d Rainbow Futures Ltd $ 124.36
d Harmonic Futures Ltd $ 96.25
d Viceroy Futures Ltd $ 271.74
PUTNAM
d Emerging Hlth Sc. Trust $ 36.61
w Putnam Em. Info. Sc. Trust $ 28.70
w Putnam Glob. High Growth $ 13.97
d Putnam High Inc. GNMA Fd $ 9.48
d Putnam Int'l Fund $ 12.19
PYRFORD, SWITZ (038) 25 17 25
w Pyrford Australian AS 96.50
w Pyrford Int'l SF 91.25
ROBECO GROUP
POB 973, Rotterdam (10-4650711)
d Robeco Fl 91.30
d Rolinco Fl 91.90
d Rorento Fl 69.50
d Rodamco Fl 54.80
d RG America Fund Fl 93.30
d RG Europe Fund Fl 98.80
d RG Pacific Fund Fl 89.30
ROTHSCHILD AST. MGT.
w Tokyo Pacific Hldgs (Sea) $ 157.55
SAFRA REPUBLIC HOLDING
w Republic (Gnsey) $ Inc Fd $ 18.49
w Republic GAM Fund $ 108.91
w Republic GAM Growth $ 103.38
w Republic GAM Pacific $ 97.51
w Republic GAM Europe Fd SF 95.45
SKANDIFOND
SKANDINAVISKA ENSKILDA BANKEN
w Equity Int'l Acc. $ 14.22
w Equity Int'l Inc. $ 12.27
d Equity Global $ 1.30
w Equity Far East $ 2.34
w Equity Nat. Resources $ 0.70
w Equity Japan $ 104.00
w Equity Nordic $ 1.28
w Equity U.K. £ 1.18
w Equity Continental Europe $ 1.31
w Equity Mediterranean $ 0.93
w Equity North America $ 1.61
w Bond Int'l Acc. $ 10.71
w Bond Int'l Inc. $ 7.67
w High Income Acc $ 1.50
w High Income Inc $ 1.09
w Bond Sweden SKr 13.27
w Bond DEM DM 1.84
w Bond Dollar $ 1.22
w Enskilda Int'l Bond $ 112.47
w Multicurrency $ 1.45
SOCIETE GENERALE GROUP
d Asia Fund $ 398.94
d BTW Category A $ 14.37
d BTW Category B $ 25.41
SOGELUX FUND (SF)
w SF Bonds A U.S.A. $ 14.25
w SF Bonds B Germany DM 25.38
w SF Bonds C France FF 101.48
w SF Bonds E G.B. £ 10.82
w SF Bonds F Japan Y 1865.00
w SF Bonds G Europe Ecu 14.22
w SF Bonds H World Wide $ 14.97
w SF Bonds J Belgium BF 640.00
w SF Eq. K North America $ 14.02
w SF Eq. L W. Europe Ecu 12.49
w SF Eq. M Pacific Basin Y 1411.00
w SF Eq. N France FF 70.00
w SF Eq. P Growth Countries $ 13.23
w SF Eq. Q Gold Mines $ 11.30
w SF Eq. R World Wide $ 13.05
w SF Short Term S France FF 138.26
w SF Short Term T Eur. Ecu 13.58
SOGELUX INDEX FUND (SIF)
w S.I.F. France Capital FF 956.73
w S.I.F. France Distrib FF 956.73
w S.I.F. GB Capital £ 112.69
w S.I.F. GB Distrib £ 112.69
w S.I.F. Japan Capital Y 11889.00
w S.I.F. Japan Distrib Y 11889.00
w S.I.F. US Capital $ 175.84
w S.I.F. US Distrib $ 175.84
w S.I.F. World Capital $ 133.36
w S.I.F. World Distrib $ 133.36
SODITIC ASSET MANAGEMENT INC.
w SAM Diversified Inc $ 115.49
w SAM Strategy Inc $ 98.49
m Alpha SAM Inc $ 103.66
SVENSKA HANDELSBANKEN S.A.
146 Bd de la Petrusse, L-2330 Luxembourg
w Neptune Maritime Fund $ 6.62
b SHB Bond Fund $ 51.66
w Svenska Sel. Fd Amer Sh $ 12.69
w Svenska Sel. Fd Germany DM 8.69
d Svenska Sel. Fd Int'l Bd Sh $ 12.22
w Svenska Sel. Fd Int'l Sh $ 49.26
w Svenska Sel. Fd Japan Y 477.00
d Svenska Sel. Fd Nordic Sh $ 10.29
w Svenska Sel. Fd Pacif Sh $ 4.69
d Svenska Sel. Fd S/T Ass Sh $ 10.98
w Svenska Sel. Fd Swed Bds SKr 1105.54
w Svenska Sel. Fd Sylvia Sh Ecu 998.77
SWISS BANK CORP. (Issue Prices)
d SBC 100 Index Fund SF 1044.00
d SBC Bond Portfolio - C$ C$ 987.42
d SBC Bond Portfolio - Ecu Ecu 103.00
d SBC Bond Portfolio - FF FF 518.55
d SBC DM Short A/B DM 1109.26
d SBC Euro Stock Ecu 153.00
d SBC Global Ecu Growth Ecu 979.77
d SBC Global Ecu Yield Ecu 999.82
d SBC Global SF Growth SF 973.88
d SBC Global SF Yield SF 997.97
d SBC Global US$ Growth $ 1006.27
d SBC Global US$ Yield $ 1023.21
d SBC MMF - £ £ 2395.38
d SBC MMF - C$ C$ 4144.63
d SBC MMF - DFl Fl 6237.11
d SBC MMF - Ecu Ecu 3105.49
d SBC MMF - FF FF 20822.27
d SBC MMF - Lit Lit 4193358.00

d SBC MMF - SF SF 5170.39
d SBC MMF - US - Dollar $ 6728.25
d SBC MMF - Yen Y 565856.00
d SBC Str Bond A SF 1032.37
d SBC Str Bond B SF 1142.09
d America Valor $ 308.69
d Anglo Valor £ 180.23
d Asia Portfolio SF 495.35
d Convert Bond Selection SF 91.37
d D-Mark Bond Selection DM 111.53
d Dollar Bond Selection $ 145.55
d Ecu Bond Selection Ecu 105.15
d Florin Bond Selection Fl 116.52
d France Valor FF 1550.56
d Germania Valor DM 422.33
d Gold Portfolio $ 302.58
d Iberia Valor Pta 40962.00
d Ital Valor Lit 334477.00
d Japan Valor Y 25796.00
d Sterling Bond Selection £ 113.22
d Sw. Foreign Bond Selection SF 103.49
d Swissvalor SF 338.50
d Universal Bond Selection SF 74.58
d Universal Fund SF 97.24
d Yen Bond Selection Y 11268.00
T. ROWE PRICE ASSOCIATES INC.
m T. Rowe Price Frontier Ltd $ 9.07
TEMPLETON W.WIDE INVESTMENTS
GROWTH PORTFOLIO
d Class A-1 $ 9.11
d Class A-2 $ 10.76
d Class A-3 $ 10.80
d Class B-1 $ 8.89
d Class B-2 $ 10.54
INCOME PORTFOLIO
d Class A $ 10.76
d Class B $ 10.71
TERMINVEST Tel : 40.78.92.89
m Dual Futures Fd Cl D Units $ 110.30
m Galaxy Futures Fund Ltd $ 110.09
THORNTON MANAGEMENT Ltd
d Pacif Invt Fd SA $ 8.32
d Pacif Invt Fd SA DM DM 23.80
d Pacif Invt Wrnt Fd SA $ 3.32
d Pacif Invt Wrnt Fd SA DM DM 9.50
d Eastern Crusader Fund $ 7.54
d Thornton Int'l Opp. Fd $ 1.65
d Thornton HK Gateway Fd $ 18.98
d Thornton Japan Fund Ltd $ 23.81
d Thor. Lttl Dragons Fd Ltd $ 19.78
d Thornton Orient Inc Fd Ltd $ 21.45
d Thornton Phil. Redev. Fd $ 20.49
d Thornton Tiger Fd Ltd $ 29.57
NEW TIGER SEL. FUND
d Thailand $ 8.91
d Malaysia $ 8.48
d Indonesia $ 4.93
THORNTON TAIWAN FUND
d Equity Income $ 10.02
d Equity Growth $ 10.48
d Liquidity $ 10.00
UEBERSEEBANK Zurich
d B - Fund SF 1032.09
d E - Fund SF 529.85
d J - Fund SF 319.51
d M - Distribution SF 97.78
d M - Fund SF 1040.02
d UBZ Euro-Income Fund SF 10.30
UNION BANK OF SWITZERLAND
d Amca American Shares SF 38.75
d Bond-Invest SF 63.50
d Brit-Invest Shares SF 728.50
d D-Mark-Invest Bonds DM 196.48
d Dollar-Invest Bonds $ 116.40
d ESPAC Spanish Shares SF 171.00
d Eurit SF 309.50
d Fonsa Swiss Shares SF 190.00
d Francit Shares SF 178.00
d Germac Shares SF 216.00
d Globinvest Shares SF 97.75
d Gold Invest Shares SF 178.50
d Holland-Invest Shares SF 236.00
d Itac Shares SF 166.50
d Japan-Invest Shares SF 1144.00
d Sima (Stock Price) SF 233.00
d Skandinavien-Invest SF 208.00
d UBS Money Mkt Invest $ 1007.93
d Yen-Invest Bonds Y 82891.00
UNIVERSAL GROUP OF FUNDS
d Universal Cdn. Equity C$ 8.95
d Universal Pacific C$ 8.77
d Universal American C$ 8.36
d Universal Cdn. Resource C$ 3.83
d Universal Global C$ 6.14
d Canada Guar. Mortgage Fd C$ 15.97

Other Funds
w Acropolis Fund Ltd $ 1000.56
r Acticroissance FF 486.99
d Actifinance Int'l $ 983.48
w Actifutures Ltd $ 874.04
w Actigestion FF 1028.21
w Actinvest Int'l FF 26.76
m Advanced Strategies $ 109.25
w Aquila International Fund $ 267.52
m Arbifin Investment $ 952.73
b Ariane $ 4395.70
d Asia Oceania Fund $ 9.12
m Associated Investors Inc. $ 816.33
b Atlantic Fund $ 71.44
r Australia Fund $ 18.64
w Balfour Maclaine Series 1 $ 957.87
w BEM International $ 6.90
w Bondselex-Issue Pr. SF 107.15
m Cal Futures 1990 Fd Ltd. $ 24.83
d CB German Index Fund DM 113.84
w CMI Investment Fund $ 1406.00
d Colbert Croissance FF 67.51
d Colbert Pibor FF 12385.64
d Colbert Tresor FF 1267.61
w Convert. Fd Int'l A Certs $ 18.11
w Convert. Fd Int'l B Certs $ 62.85
w Cowen Enterprise Fd N.V. $ 1058.91
w Cumber Int'l N.V. $ 278.41
d D. Witter Wld Wide Ivt Tst $ 25.79
w D.G.C. $ 227.87
w Daiwa Japan Fund Y 6497.00
d Dreyfus America Fund $ 21.49
w Dumelux Amerique $ 1034.77
w Dumelux Asie Pacifique $ 1034.77
w Dumelux Bonds Plus $ 1058.18
w Dumelux Europe Ecu 1084.27
w Dumelux France FF 6474.88
w Dumelux Opportunity $ 1034.77
m Dumenil Arbitrage Fd NV $ 772.53
w Eas Overseas Fund Ltd $ 1226.00
d Emi Belg. Ind. Plus A BF 8252.00
d Emi Belg. Ind. Plus B BF 8252.80
d Emi France Ind. Plus A FF 803.97
d Emi France Ind. Plus B FF 803.97
d Emi Germ. Ind. Plus A DM 83.93
d Emi Germ. Ind. Plus B DM 83.93
d Emi Spain Ind. Plus A Pta 8765.00
d Emi Spain Ind. Plus B Pta 8765.00
d Emi UK Index Plus A £ 100.50
d Emi UK Index Plus B £ 100.50
m Enigma Currency Fd $ 18.96
w Espir. Sto Inv. M Ecu Bd Fd Ecu 104.64
w Espir. Sto Inv. M Sth Eur Fd $ 8.57
w Esprit Sicav Ecu 1100.45
d Eurasud FF 1006.70
d Europe 1992 $ 9.76
d Europe Obligations Ecu 84.78
w F.I.T. Fund FF FF 125.66
w F.M.P. Portfolio $ 0.5437
w Fairfield Int'l Ltd $ 178.35
w Fairfield Sentry Ltd $ 240.25
w Fairfield Strat. Ltd $ 68.45
m Fenum Fund $ 783.16
w First Eagle Fund $ 30874.67
m First Ecu Ltd Ecu 84.81
m First Frontier Funds $ 69.37
w FL Trust Switzerland SF 91.45
d Fondilalia $ 81.17
w Fonselex Issue Pr. SF 143.55

d Force Cash DM Sicav DM 5435.35
d Force Cash Ecu Sicav Ecu 2811.77
d Forexfund Limited $ 8.50
w Formula Selection Fd SF 59.46
d Frankl-Trust Effekten Fd DM 146.75
d Frankl-Trust Interzins DM 39.29
d Gemini Intl Multi $ 996.33
m Gems Progressive Fd Ltd $ 1102.13
w George V Inv. Bond Fd $ 24.02
m German Sel. Associates DM 1766.71
w Global Futures Mgt Ltd $ 1051.48
w Gonnord SF 24.53
d Green Line France FF 627.63
m Guaranteed Capital Imm 94 LF 516850.00
m Hasenbichler Com AG $ 2092.00
w Haussmann Hldgs. N.V. $ 414.47
d Hentsch T.F. SF 10757.00
w Hestia Fund $ 170.79
w Horizon Fund FF 11131.79
w Ibex Holdings Ltd SF 189.07
w IFDC Japan Fund Y 25405.00
r ILA-IGB $ 1.55
r ILA-IGS $ 9.94
w Infinity Fund $ 167.8333
r Int'l Securities Fund Ecu 25.63
m Interfoce Fund Ltd $ 168.96
d Interfund SA $ 45.55
w Intermarket Fund $ 513.86
w Intersec - KBL $ 3763.73
d Investo DWS DM 66.41
d Investmentor Fund $ 105.89
m J Capel Guaranteed Fund $ 10.26
w Japan Pacific Fund $ 211.10
m Japan Selection Asses. Y 8064.00
w Japan Selection Fund $ 272.27
d JJ Placement FF 12926.13
w JWH Worldwide Fund $ 10.97
m Kandu LDC Fund $ 171.09
d Kenmar Guaranteed $ 9.74
w Kenmar Int'l - B $ 10269.00
d Kenmar L/C $ 8.04
m Key Hedge Fund Inc. $ 117.35
d KML-II High Yield $ 625.81
w Knightsbr. Futures $ 980.25
w Korea Growth Trust $ 29.92
m L.F. Yield & Growth Fd $ 1017.14
w LACO International $ 5.64
w Leaf Sicav $ 974.98
w Leumi Val. Francaises FF 942.33
m London Portfolio Services $ 18.24
m LPS Intl H.P.B. $ 9.99
w Luxfund $ 107.86
m Lynx Sel. Holdings SF 120.10
w M I Multi-strategy $ 1056.87
w M.Kingdon Offshore, N.V. $ 10.13
m Maritime Fund Int'l Ltd $ 736.69
w Mat Growth ESCF DM 16.48
w Mat Growth USCF $ 11.37
m Matterhorn Offshore Fd $ 9698.53
m Maverick Limited $ 244254.34
m MBE Japan Fund LF 1936.00
m MCM Int. Limited $ 166.08
d Mediolanum Selective Fd $ 36.54
w Moore Global Invts. Ltd $ 2321.89
w NCA Fund $ 9.80
d New Millennium Fut. Ltd $ 884.94
d Newbank Debentures $ 1251.00
w Nippon Fund $ 109.80
d NM Inc. & Growth Fund $ 18.72
m NMT Asian Sel. Portfolio $ 191.00
m NMT Citadel Bond SF 123.01
m NMT Nastec Portfolio $ 149.84
d Nomura-Cap Int'l Eq Fd $ 14.75
w Naveurope - KBL Ecu 2651.91
m NSM Invest. Ltd. Senso SH $ 8.94
m NSM Invest. Ltd. Tetryx SH SF 9.62
m NSP F.I.T. Ltd $ 11.32
m Oppenheimer U.S. Arb. $ 135.24
w Optimum Fund $ 1584.59
m Overlook Performance $ 1491.38
d Pacific Nies Fund $ 6.15
d PAM Futures Trad. $ 311.77
m Pan European Futures Ltd $ 4562.71
m PAN International Ltd $ 185.55
w Pancurri Inc. $ 164.38
m Paragon Fund Limited $ 18.56
w Plurigestion FF 95.38
w Plurivest International FF 106.12
d Precision Fund Ltd $ 82.43
d Premier Futures Ltd $ 1850.24
d Profirent S.A. DM 1126.82
w Puget-Mahe Barclays Pac $ 160.65
w Pulsar LDC debt Fd $ 115.5172
w Quantum Fund N.V. $ 19801.70
m Quark Int'l Trad Prog $ 9879.007
w Quasar Fund N.V. $ 134.46
w RM Futures Fund Sicav $ 19325.83
d SAGA Court Terme FF 1312.38
d SAGA France FF 404.92
d SAGA Long T. Capital FF 1204.59
d SAGA Perspectives FF 918.07
d SAGA Premiere FF 1292.44
w Sailor's Intl Equity Ecu 976.44
w Sailor's Intl Fixed Ecu 1048.85
w Samurai Portfolio SF 249.80
d Sanyo Kle. Spain Fd $ 8.78
d Sarakreek Holding N.V. $ 14.50
d Saturn Fund $ 1129.74
d SCI / Tech. SA Luxembourg $ 17.48
m Scimitar Guar. Curr Fd $ 8.19
m Scimitar Guaranteed Fd $ 8.70
w Securefund 2000 Ltd $ 5.75
m Semades $ 101.18
m SLH Guar. F.F.I. $ 1292.88
w SP International SA $ 8482.94
m Sussex McGarr $ 1927.00
w Techno Growth fund SF 47.59
d Templeton Global Inc. $ 10.10
w The Jaguar Fund N.V. $ 292.65
d The Petrus Fund Ltd $ 1.07
w Thema M-M Futures $ 996.32
m THC (OTC) Jap. Fd Sicav $ 11.04
b Tokyo (OTC) Fund Sicav $ 8.25
m Trans Global Invt Ltd $ 108.52
w Transpacific Fund Y 22364.00
w Trinity Futures Fd Ltd $ 981.60
d Tudor B.V.I. Futures Ltd $ 9550.23
d Turquoise Fund $ 184.56
m Tweedy Browne (UK) n.v. $ 1345.93
w Tweedy Browne n.v. Cl A $ 3750.48
w Tweedy Browne n.v. Cl B $ 1678.25
d Uni Bond Fund Ecu 1821.81
r Uni Capital Fund Ecu 1257.01
d Unico Equity Fund DM 56.56
d Unico Inv. Fund DM 67.12
m Unitrad CHF SF 1158.91
m Unitrad CHF Reg. SF 1015.68
m Unitrad FRF FF 11867.52
m Unitrad USD $ 1173.86
d Univers Bonds DM 147.77
w Ursus Int'l Ltd $ 8185.88
m Valbonne Ecu 110.01
w Vanderbilt Assets $ 16.00
m Victor Futures Fund $ 195.88
w Willer Asia Fund $ 10.47
w Willerbond Capital $ 15.48
d Win Global Fd Bd Ptfl Ecu 110.39
d Win Global Fd Eq Ptfl Ecu 95.00
d Win Global Fd Res. Ptfl SF 212.06
d World Balanced Fund S.A. $ 12.31
w Worldwide Securities $ 41.53
w Worldwide Special $ 981.43
m Young SF 169.24
m Zweig Int'l Ltd S/S $ 13570.00

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NYSE

Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued on Page 15)

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Herald Tribune.
BUSINESS/FINANCE
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IRAN AIR

ECONOMIC SCENE

Crisis, a Familiar Visitor, Is Back in Italy's Business

By Laura Colby
International Herald Tribune

ROME — Only a few years ago, Italy was Europe's biggest economic success story. After years of crisis and labor unrest, Italian companies were among the most profitable in the world, its economy was ebullient, and its colorful, well-designed products were in demand everywhere.

Now crisis is back, with a vengeance. The news is almost all bad for big companies, such as Pirelli, Olivetti and Fiat, growth is stagnating and things labeled "made in Italy" are simply too expensive for most of the recession-hit world.

There are many reasons behind the sudden change, and none of them are likely to be solved soon. The current crisis throws into sharp relief the question of whether Italy will be ready to fully take part in European economic and monetary union.

Public debt and labor costs have made Italy one of the most expensive countries.

In fact, Rome's decision to join the narrow band of the European Monetary System's exchange-rate mechanism has added in some ways to the economic suffering: In the past, when Italy's competitive position began to erode, the lira could simply be devalued. Now that is no longer a realistic option.

But joining the EMS is not the cause of Italy's problems. The economy has been hammered by spiraling public debt and labor costs that have made Italy one of the most expensive countries in the world. Roman politicians fiddled with debt-cutting plans during the boom years, but the spending gap still widened.

Economists said that industry, too, failed to use the good days to prepare itself for the hard times ahead. "We have had a short-term view," said Romano Prodi, former chairman of the giant state holding company Istituto per la Ricostruzione Industriale, who is now chairman of Nomisma, a Bologna-based consulting firm, and a professor at University of Bologna.

The public debt — now slightly larger than annual gross national product and among the highest in the industrialized world — has always been a problem for Italy. Until recently, almost all of it was held by Italians, among the world's biggest savers, in the form of Treasury bonds.

BUT SINCE foreign-exchange controls were ended last year, Italians are starting to invest abroad. More of Italy's debt is being purchased by foreign investors, who are more likely to dump the paper if political winds blow the wrong way. The amount is still small — about 87 trillion lire ($73.2 billion) last year or slightly more than the Italian Treasury offers to the market each month — but "it's big enough to create problem if they decide to move into German bonds instead," said a Milan economic analyst. To prevent that from happening, Rome is forced to keep its interest rates high.

The high rates are increasing costs for businesses and fueling Italian inflation, which is currently over 6 percent. That is about three percentage points higher than in France, where labor costs are about 20 percent lower than in Italy, economists said. In fact, the southern French region of Rhône-Alpes, has been advertising itself as a site for Italian factories, offering proximity to Italy but with lower costs and far better infrastructure.

Businesses also are suffering from declining productivity. Riding the latest economic wave between 1985 and 1988, Italian industry as a whole increased productivity by 27 percent, according to figures from Mediobanca SpA. But most of this was obtained by investing in new plants and technologies. Once those were in place, productivity growth slowed sharply. By 1990, it was in decline.

In the meantime, Italian companies began to look afield. "When times were good, Italian industry started to diversify into new types of business and into finance. It became part industry and part rentier," said the Milan economic analyst, citing the moves by the automaker Fiat SpA into financial services as an

See ITALY, Page 13

Robert Maxwell's Last, Isolated Days

Magnate Drew Deeper Into Secrecy as He Grabbed Money to Support Stock

By Roger Cohen
New York Times Service

LONDON — It was in the summer of 1990 that Jean-Pierre Anselmini first noted a troubling change in the normally ebullient Robert Maxwell.

When Mr. Anselmini entered his London office, Mr. Maxwell would turn over the papers on his desk. When key financial meetings were held, Mr. Anselmini said he was not informed. When he asked questions, he was met by silence. When he complained to Mr. Maxwell and his son Kevin about a transaction with Goldman, Sachs & Co., he was curtly told to get out of the office.

Yet Mr. Anselmini was deputy chairman of Maxwell Communication Corp., one of the top three jobs in Mr. Maxwell's flagship company.

By the time Mr. Maxwell died on Nov. 5 at age 68, while cruising on his yacht off the Canary Islands under circumstances that may never be resolved, his sprawling empire was in disarray.

Mr. Maxwell had operated on the basis that people were there to be fooled, and the many banks that helped him build his web of companies may have proved him right.

Their support — as well as the credence accorded Mr. Maxwell by a host of London institutions and bigwigs who sat on his boards — raises this question:

How did Mr. Maxwell, with his questionable record as a manager, persuade them to back a wildly ambitious and somewhat irrational plan: the transformation, from 1984 onwards, of a profitable if unglamorous printing and publishing business into a global media company with razzmatazz as conspicuous as its debts?

The banks, which could collectively lose $2 billion on their Maxwell loans, offer little in the way of a convincing reply. "Any banking relationship can be seen as a four-legged stool, involving the honesty and integrity of both the bank and the client," said Dan Brockbank, a spokesman for National Westminster Bank, a Maxwell creditor. "We could not know that in Maxwell's case, two of the legs were missing."

The answer to this question seems to lie in a combination of Mr. Maxwell's talents as a businessman, which included remarkable courage and energy; his gall and litigiousness, which tended to cow critics into silence, and the gung-ho atmosphere of the 1980s, which encouraged media giants like Rupert Murdoch's News Corp. and Time Warner Inc. to become global forces while banks rushed to lend them more money.

But Mr. Maxwell maneuvered in a way that made a mockery of his borrowing agreements with banks. From interviews with dozens of current and former executives, as well as the Maxwell companies' court-appointed bankruptcy administrators, it is apparent that by August 1990, a downward spiral of interlocking deals among his many companies had begun.

"From mid-1990, I was gradually excluded, to the point where my job became quite pointless," said Mr. Anselmini, who quit Oct. 4. "I had no information. For Maxwell, I did not exist any more."

Mr. Maxwell had little time for advice. A Czech-born Jewish immigrant who had changed his name three times and survived humiliation by the Britain's clubby City establishment, he was incorrigibly suspicious of others.

"He was a peasant to the roots of his fingernails, with the peasant's mistrust of others," said Peter Jay, a former British ambassador to Washington who was Mr. Maxwell's chief of staff from 1986 to 1989. "Things were run on a need-to-know principle: if you needed to know, you weren't told."

But as the treatment of Mr. Anselmini and the departure in 1990 and 1991 of four other leading

See MAXWELL, Page 13

EC-U.S. Talks, Key to GATT, Reportedly Fail

Reuters

BRUSSELS — Talks between senior U.S. and European negotiators broke down Friday as they sought to reach an elusive compromise on agricultural subsidies, the issue that threatens to wreck world trade talks after five years' work.

The breakdown, reported by a senior European Community official, came just before Arthur Dunkel, director-general of the General Agreement on Tariffs and Trade, put his own plan for a trade pact before the main trading nations and appealed to their leaders to give it urgent consideration.

Mr. Dunkel made his appeal to negotiators from 108 countries at GATT headquarters in Geneva. The trade talks, known as the Uruguay round after the country where they were launched, are being held under GATT auspices.

In Brussels, the EC farm commissioner, Ray MacSharry, and the U.S. agriculture secretary, Edward Madigan, met in a bid to bring the two sides closer on how deep subsidies should be cut and when the cuts should be counted from.

But Mr. MacSharry was reported by an official as regarding the Dunkel package as unacceptable to the Community. The GATT chief says the package, which covers the whole range of the talks, cannot be seriously altered.

"There's a breakdown," the EC official told reporters after a meeting between the two sides.

The official said it was unclear whether the breakdown was permanent or temporary, but in practice there was little chance of rescuing a deal when they are scheduled to meet a second day on Saturday.

Asked if there had been any progress in the talks, Mr. Madigan said: "I don't know how to answer that. It's very difficult to say. Progress is all in the eye of the beholder."

The U.S. trade representative, Carla A. Hills, separately saw the EC trade commissioner, Frans Andriessen. Later, asked about prospects for a Uruguay Round deal, she said, "I'm always hopeful."

In Geneva, Mr. Dunkel, a former Swiss diplomat, told national representatives: "Between now and January 13, I expect, indeed I know, that the package in its totality will be given the most serious and urgent consideration at the highest political levels in your capitals."

There was no immediate indication of how he proposed to resolve the farming dispute, in which the U.S. position is largely backed by 14 other major agricultural producers.

The discussions are aimed at liberalizing commerce in goods and services and creating a framework for a booming world economy into the 21st century.

There has been broad consensus in most of the seven areas of the talks, which include protection of intellectual property rights, but many trade diplomats fear the whole edifice could come crashing down over the agricultural issue.

The sensitivity of the dispute was underscored when some 500 angry Swiss farmers beseiged the GATT headquarters as the negotiators were gathering, declaring that their livelihood would be wrecked if agricultural subsidies were cut.

Mr. Dunkel said his text sought "to strike the best possible balance across the board of the long negotiating agenda of this round."

The GATT chief said the package he was proposing "nails down and captures the very substantial progress we have made since January this year."

The talks resumed in January after collapsing in Brussels a year ago when the EC refused to make specific pledges to cut export subsidies, domestic support and import barriers on farming produce.

Since then, the Community has narrowed its differences with the United States and the Cairns Group of agricultural producers, which include Australia, Canada, Brazil, Argentina and Thailand. But the gap remains wide.

Many diplomats, especially from emerging democracies in the developing world and Eastern Europe, fear the world could plunge into trade wars in which the weakest economies would suffer most if the round collapsed.

Beer Baron Buying Control Of Mövenpick

Reuters

ZURICH — The Bavarian beer and banking baron August von Finck said Friday that he was buying control of Switzerland's multimillion-dollar Mövenpick restaurant chain from Uli Prager, the businessman who built it.

A spokesman for Mr. von Finck announced the purchase of Mr. Prager's Carlton Holding for an undisclosed price. Carlton has 25 percent of Mövenpick's capital but a majority of votes.

Mr. Prager, now 75, opened his first restaurant in Zurich in 1948. The company has become a network of more than 150 restaurants, hotels, snack bars and ice cream shops in Switzerland, Germany and nine other countries.

Mr. von Finck, 62, holds majority stakes in the Munich brewer Löwenbräu AG and in Würzburger Hofbräu AG, and owns the Munich-based private bank Deutsche Spar- & Kreditbank AG.

Fiat, Russia in Draft Accord

Yeltsin, in Rome, Says Automaker Intends to Invest

By Peter K. Semler
Special to the Herald Tribune

ROME — President Boris N. Yeltsin of Russia and Fiat SpA agreed on Friday to sign an accord within one month for the Italian industrial conglomerate to take a 30 percent stake in the Soviet Union's largest carmaking concern.

But Mr. Yeltsin left Italy, his republic's second-largest trading partner, with few other concrete trade agreements to show.

Mr. Yeltsin along with his delegation met with several top officials of Italy's leading industries in an effort to shore up support for Russia's economy.

During a news conference at the Russian ambassador's residence, Mr. Yeltsin said that during a meeting including Giovanni Agnelli, Fiat's chairman, and Cesare Romiti, the chief executive, a letter of intent was signed for Fiat to take a 30 percent stake in the Volga Automotive Plant Association's factory at Togliattigrad.

"A letter of intent has been signed and details will be finalized next month," Mr. Yeltsin said.

Fiat said that Mr. Agnelli "underlined the great interest for a wide-ranging accord for collaboration" with VAZ. "The accord, besides defining collaboration of an industrial nature, should lead to a stake by the Fiat group, producing a vehicle that would be suitable for the Russian market and competitive for export in Western European markets," Fiat said in a statement from its headquarters in Turin.

The stake in the plant, known as VAZ, would permit Fiat to produce 300,000 medium-sized automobiles by 1993.

Negotiations for the agreement have been held up because of a dispute over the stake's value between Bear, Stearns & Co., which is evaluating VAZ for the Russians, and London-based Morgan Grenfell, for Fiat. Morgan Grenfell has publicly stated that the stake is not worth more than $2 billion. Vladimir Burmistrom, president of the Russian trade delegation to Italy, declared that "the stake is certainly worth more than $4 billion."

Among other projects that Mr. Yeltsin and Fiat discussed was the building of numerous small villages and model housing units in the newly declared commonwealth of Byelorussia, Ukraine and Russia.

Mr. Yeltsin also spoke about his meetings with Confindustria, Italy's industry confederation, about developing closer ties between Italy's dynamic small and medium-sized companies, and those in Russia.

Mr. Burmistrom, who was present at all the meetings, said: "Nothing has yet been finalized. We are still in the discussion stage."

Mr. Yeltsin and the Russian delegation met with officials from the IRI and INI, Italy's large state-controlled industrial groups, to discuss oil and gas projects estimated to be worth "hundreds of millions of dollars," Mr. Burmistrom said.

The discussion centered on completely restructuring Russia's natural gas pipeline network and exploiting new energy resources. "We also plan to have a gas pipeline to Italy," he said.

The Soviet Union's trade volume in 1990 was $7 billion, 80 percent of which was accounted for by Russia.

The Social Contract Ends in GM Layoffs

By Frank Swoboda
Washington Post Service

WASHINGTON — For decades, the closest thing to a social contract in the American workplace was having a white-collar, salaried job at General Motors Corp. If you did your job and kept your nose clean, you were all but guaranteed lifetime employment, even in hard times. When GM was struck for 114 days in the early 1970s, not a single salaried worker was laid off.

Not any more.

Any notion of job security and loyalty ended this week when GM's chairman, Robert C. Stempel, announced that the world's largest automaker would eliminate 21 factories and 74,000 jobs over the next four years.

Included in the first round of cuts next year will be 9,000 salaried workers and 15,000 hourly workers, and none of them yet know who they are.

The cuts are the latest blow to the culture of employer-employee loyalty that has been the hallmark of a number of key companies such as International Business Machines Corp., Eastman Kodak Co. and American Telephone & Telegraph Co., which have been forced to announce major work force reductions in the face of a deteriorating economy and rising global competition.

"It marks the end of the era when the paycheck-based middle-class could count on stable, long-term employment and rising income with a major corporation," said Dan Lacey, a Cleveland-based consultant who publishes "Workplace Trends," a newsletter.

These are not the cyclical layoffs of the past. Today's job losses fall under the heading of "restructuring," modern management's term for permanent changes.

At GM, the post-World War II culture was an almost paternalistic, hierarchal management structure that relied heavily on written rules and tradition.

John Maciarz, a GM spokesman said, "Most of us who have worked at GM for a long time always felt steeped in tradition."

■ Whither GM Stock?

Most automotive analysts agreed that the sweeping retrenchment announced by General Motors Corp. was long overdue, a necessary move to start streamlining the company's unwieldy operations to match GM's diminished share of the vehicle market, The New York Times reported from Detroit.

But the analysts are divided on GM's common stock, which is trading around its four-year low. Some advise selling the stock, out of fear that among other things GM's dividend may be cut again. But others urge investors to buy GM shares, predicting that the stock is unlikely to drop much more.

The announcement had little impact on the stock's price on Wednesday, because Wall Street had largely taken the restructuring into account. A week before, GM executives had signaled that cutbacks were coming, giving credence to the rumors that had been sweeping Wall Street and pushing down the price.

GM common shares ended Thursday at $26.875, down 87.5 cents. Near the close on Friday, GM was trading at $27.625 a share.

The Pinch in Manhattan

New York Times Service

NEW YORK — Job losses have been so severe in the past two years in Manhattan that they have completely erased all the private-sector growth of the booming 1980s, according to an annual year-end review by the region's Bureau of Labor Statistics.

There are now fewer private-sector jobs in Manhattan than there were in 1980, according to the figures released by Samuel M. Ehrenhalt, the regional commissioner of the bureau.

The New York-northeastern New Jersey region's experience has been far more serious than that of the rest of the country. The 3.6 percent decline in jobs for the 12 months ending in October is in sharp contrast to the eight-tenths of 1 percent decline nationwide.

The downturn in Manhattan is particularly serious, Mr. Ehrenhalt said, because it has 28 percent of all the jobs in the New York-northeastern New Jersey region. And those jobs are much higher-paying, generating 37 percent of the region's payroll earnings.

Sally Hernandez-Pinero, the deputy mayor for finance and economic development, called some of Mr. Ehrenhalt's findings "shocking," but insisted there were some bright spots on the horizon.

Wall Street has recovered its profitability and is hiring again, she said. Investors have spent large sums on renovations, and new retailers are taking advantage of cheap rents to establish beachheads in the city.

CURRENCY RATES

Cross Rates — Dec. 20

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.732	3.233	1.127	0.3295	0.1480 *	—	5.4715 *	1.2494	1.3552 *	1.499	1.746 *
Brussels	32.085	58.6775	20.597	6.03	2.7282 *	18.2795	—	23.31	0.2497	27.72	32.253 *
Frankfurt	1.5556	2.856	—	0.2925	0.1322 *	0.8874	4.856 *	1.1274	1.213 *	1.3442	1.548 *
London (a)	1.8595	—	2.8549	9.7579	2,165.50	3.2180	58.78	2.5355	237.265	2.1471	181.83
Madrid	99.151	182.14	63.763	18.45	8.42 *	56.583	3.0958	71.927	77.22 *	85.608	—
Milan	1,170.40	2,165.85	757.80	221.45	—	671.97	36.763	853.70	9.177	1,018.08	11.88
New York (b)	—	1.858 a	1.5359	5.2405	1,167.80	1.731	31.60	1.3642	127.925	1.1563	98.65
Paris	5.3285	9.773	3.4191	—	0.4516 *	3.0842	0.166	3.8625	4.1479 *	4.59	5.3636 *
Tokyo	128.39	225.75	82.48	24.33	0.1097	73.16	4.0081	92.84	—	111.01	1.2993
Toronto	1.1582	2.1481	0.7534	0.2203	0.992 *	0.6687	3.664 *	0.8479	0.9064 *	—	1.179 *
Zurich	1.3635	2.53	0.8892	0.2596	0.1154 *	0.789	4.3115 *	—	1.0681 *	1.1836	1.3925 *
1 ECU	1.3097	0.713	2.0366	6.9631	1,542.18	2.295	41.9466	1.8048	168.366	1.5169	129.859
1 SDR	1.4186	0.7676	2.1943	7.585	1,662.58	2.4718	45.1809	1.9466	180.977	1.6347	139.86

*Closings in Amsterdam, London, New York, Toronto and Zurich; fixings in other centers. a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	9905.1	Greek drac.	178.30	Mex. peso	3072.01	S. Afr. rand	2.755
Austral. $	1.2958	Hong Kong $	7.7722	N. Zealand $	1.8175	Soviet ruble**	90.00
Austr. schil.	10.94	Indian rupee	25.907	Norw. krone	6.125	Swed. krona	5.6045
Brazil cruz.	989.00	Indo. rupiah	1984.01	Phil. peso	26.16	Taiwan $	25.74
Chinese yuan*	5.4164	Irish £	0.5838	Port. escudo	137.35	Thai baht	25.38
Danish krone	6.059	Israeli shek.	2.29	Saudi riyal	3.7515	Turkish lira	5080.01
Egypt. pound	3.3377	Kuwaiti dinar	0.2859	Sing. $	1.6425	UAE dirham	3.6727
Fin. markka	4.233	Malay. ringg.	2.7385	S. Kor. won	758.60	Venez. boliv.	61.45

**Official rate. **Tourist rate (commercial rate: 1.7864.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.8265	1.8166	1.8075	Canadian dollar	1.1605	1.1635	1.1665
Deutsche mark	1.5632	1.5703	1.5769	Japanese yen	128.52	128.68	128.83
Swiss franc	1.3866	1.3912	1.3953				

Sources: NMB Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR); Gosbank (ruble). Other data from Reuters and AP.

INTEREST RATES

Eurocurrency Deposits — Dec. 20

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU	SDR
1 month	4½-4⅝	9⅞-10	8⅛-8¼	11-11⅛	10 ¹³⁄₁₆-10 ¹⁵⁄₁₆	6 ³⁄₁₆-6 ⁵⁄₁₆	10 ⁹⁄₁₆-10 ¹¹⁄₁₆	6⅞
2 months	4⅜-4½	9⅞-9⅞	8⅜-8½	11-11⅛	10-10⅛	6 ³⁄₁₆-6 ⁵⁄₁₆	10⅝-10¾	6 ⁵⁄₁₆
3 months	4 ⁵⁄₁₆-4 ⁷⁄₁₆	9⅝-9¾	8 ⁷⁄₁₆-8 ⁹⁄₁₆	10 ¹³⁄₁₆-10 ¹⁵⁄₁₆	10-10⅛	5 ¹⁵⁄₁₆-6 ¹⁄₁₆	10 ⁹⁄₁₆-10 ¹¹⁄₁₆	6¾
6 months	4 ⁵⁄₁₆-4 ⁷⁄₁₆	9⅝-9¾	8 ⁵⁄₁₆-8 ⁷⁄₁₆	10 ⁹⁄₁₆-10 ¹¹⁄₁₆	10-10⅛	5 ¹³⁄₁₆-5 ¹⁵⁄₁₆	10½-10⅝	6⅝
1 year	4 ⁵⁄₁₆-4 ⁷⁄₁₆	9½-9⅝	8-8⅛	10 ⁵⁄₁₆-10 ⁷⁄₁₆	9 ¹⁵⁄₁₆-10 ¹⁄₁₆	5 ⁹⁄₁₆-5 ¹¹⁄₁₆	10 ⁵⁄₁₆-10 ⁷⁄₁₆	6 ⁷⁄₁₆

Sources: All Reuters except ECU: Lloyds Bank. Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates — Dec. 20

	Close	Prev.
United States		
Discount rate	3½	4½
Prime rate	6½/7½	7½
Federal funds	3⅞	4⅞
Com paper 30-179 days	4.05	4.35
3-month Treasury bills	3.67	4.03
6-month Treasury bills	3.86	4.14
1-year Treasury bills	3.90	4.18
30-year Treasury bond	7.59	7.66
2-month CD's	3.90	4.15
3-month CD's	3.90	4.15
Japan		
Discount rate	5.00	5.00
Call money	6 7/16	6⅛
2-month interbank	6 3/32	6 5/32
3-month interbank	6 3/32	6 3/32
Germany		
Discount rate	8.00	8.00
Lombard rate	9¾	9¾
Call money	9.60	9.75
1-month interbank	9⅝	9⅝
3-month interbank	9.65	9¾
6-month interbank	9.60	9¾
Britain		
Bank base rate	11.00	11.00
Call money	11½	11⅜
3-month interbank	11 1/16	11.00
6-month interbank	10⅞	10 13/16
France		
Intervention rate	9¼	9¼
Call money	10.00	10⅛
1-month interbank	10 1/32	9⅞
3-month interbank	10 1/16	9⅞
6-month interbank	10 1/16	9⅞

Sources: Reuters, Salomon Brothers, Bank of Tokyo, Commerzbank, Crédit Lyonnais.

Asian Dollar Deposits — Dec. 20

1 month	4⅞ - 5
2 months	4 ¹³⁄₁₆ - 4 ¹⁵⁄₁₆
3 months	4½ - 4⅝
6 months	4 ⁵⁄₁₆ - 4 ⁷⁄₁₆
1 year	4 ⁵⁄₁₆ - 4 ⁷⁄₁₆

Source: Reuters.

U.S. Money Market Funds — Dec. 19

Merrill Lynch Ready Assets 30-day average yield:	4.65
Telerate Interest Rate Index:	4.105

Source: Merrill Lynch, Telerate.

GOLD

Dec. 20

	A.M.	P.M.	Ch'ge
Hong Kong	357.55	356.55	— 2.60
Luxembourg	356.75	—	— 1.30
Paris (12.5 kilo)	357.67	358.06	+ 1.10
Zurich	359.35	358.75	+ 1.00
London	356.25	358.30	— 0.60
New York	—	358.75	+ 1.20

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.
Source: Reuters.

Cartier

Cougar de Cartier

PARIS : 13, RUE DE LA PAIX - 33 (1) 42 61 58 56
LONDON : 175/176, NEW BOND STREET - 44 (71) 493 69 62
NEW YORK : 653, FIFTH AVENUE - 1 (212) 753 01 11
GENEVA : 35, RUE DU RHÔNE - 41 (22) 21 80 66
MILANO : VIA MONTENAPOLEONE, 16 - 39 (2) 76 00 16 10
MUNCHEN : BRIENNERSTRAßE, 12 - 49 (89) 126 850

AND ONE HUNDRED AND FORTY CARTIER STORES
IN MAJOR CITIES WORLDWIDE.

MARKET DIARY

Dow Rises, Trading Heaviest in Months

The Associated Press

NEW YORK — Prices on the New York Stock Exchange rose Friday in the heaviest trading in more than 11 months, responding to a dramatic interest-rate reduction by the Federal Reserve Board.

Analysts said activity was roiled by computer-driven "triple-witching-hour" trading, making it hard to get a clear picture of investors' response to the Fed's move.

The Dow Jones average of 30 industrials rose 20.12 points, to 2,934.48. For the week, the Dow's net gain was identical.

Advancing issues outnumbered declines by 9-to-5 in the daily tally on the NYSE. Big Board volume came to an estimated 313.8 million shares, up from 199.3 million Thursday and the heaviest total since a 318.9 million-share day last Jan. 17 at the start of the Gulf war.

The Fed cut its discount rate from 4.5 percent to a 27-year low of 3.5 percent.

Many analysts applauded the move as a forceful departure from the Fed's policy over the past year of attempting to prod the economy gradually back to life.

However, some investors also read it as evidence that Chairman Alan Greenspan and other Fed policymakers had grown increasingly worried about the state of business activity in recent weeks.

Witching-hour activity, involving expiring groups of options and futures on stock indexes and individual stocks, contributed to heavy turnover in early trading and again near the close.

Gainers among the blue chips included Exxon, up ⅜ at 59⅝; AT&T, up ⅜ at 38⅝; IBM, up ⅜ at 85½; GE, up 1¾ at 69⅞; Merck, up 1¼ at 154¾, and Coca-Cola, up 1 at 76.

Bank stocks were mostly higher on the anticipated benefits of lower interest rates. J.P. Morgan climbed 2¼ to 63½; BankAmerica 2⅛ to 33½ and Chase Manhattan ¾ to 15⅞. But Citicorp lost ¼ to 8¾, trading at its lowest levels in more than a decade.

N.Y. Stocks

RATES: *Discount Cut to 3.5%*

(Continued from page 1)

greatest threat to a recovery," he said. "The Fed's action means it belatedly recognizes this. If the bond market is worried about this cut, it is being short-sighted. There are simply no waves of inflation out there waiting to overtake us."

President George Bush noted that his administration has stressed that "lower interest rates are important in spurring economic growth and creating jobs and investments." Mr. Bush had repeatedly jawboned the Fed for lower rates. When he called eight private-sector economists to the White House for private talks a month ago, they all raised their hands in assent when asked whether the Fed had been easing too slowly. This information reached Mr. Greenspan within the day.

But Fed watchers felt that if there was any political motive, it was to get ahead of Congress.

"They want to eliminate the argument that the Fed didn't do enough to revive the economy," said David Hale, the chief economist of Kemper Financial Services in Chicago, "and if possible show that the economy is starting to recover early next year so that Congress can be coaxed into a deal that will not overload the economy, possibly a deal directly between the President and Danny Rostenkowski." Mr. Rostenkowski is chairman of the House Ways and Means Committee.

Although no analyst would allow himself to be quoted, one widely expressed belief was that the Fed acted to help Citicorp, the nation's largest and one of its most endangered banking companies.

Because of its involvement in virtually every major financial disaster, from New York real estate to the collapse of the Maxwell publishing empire, rumors about Citicorp's ability to raise funds intensified on Wall Street all week and helped drive down its stock. A discount rate cut reduces the cost of emergency funds available to the bank.

A Citicorp spokesman vigorously denied this.

"We have no trouble funding," he said. "We are awash with liquidity or we would not have lowered our commercial deposit rates. And we have not been to the discount window since early in the year, and that was on a technical problem."

Foreign Exchange

■ **Dollar Takes a Dive**

The dollar closed more than 2 pfennig lower in New York after the Fed's rate cut, Reuters reported. It ended at 1.5359 Deutsche marks, down from 1.5590 DM at the close on Thursday.

It fell to 127.525 yen from 128.200; to 1.3642 Swiss francs from 1.3830, and to 5.2495 French francs from 5.3305.

The British pound rose to $1.8580 from $1.8347.

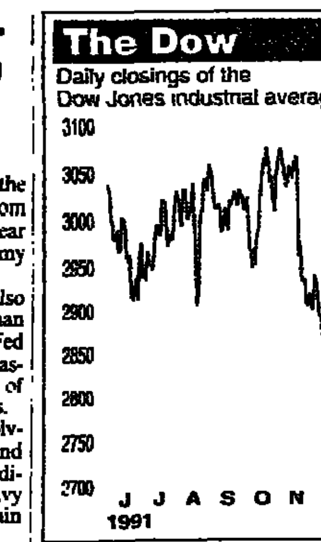
In London, the dollar dropped more than a pfennig and a half. It ended at 1.5405 Deutsche marks, down from 1.5575 DM at the close on Thursday.

But it was fairly steady against the yen, easing to 128.00 from 128.30.

It closed at 1.3595 Swiss francs, down from 1.3825, and at 5.2525 French francs, down from 5.3735.

The British pound leaped to $1.8627 from $1.8345 at the close Thursday.

Via Associated Press — Dec. 20



NYSE Most Actives

	Vol.	High	Low	Last	Chg.
Citicorp	79238	9	8½	8⅝	−⅜
AT&T	37346	39	38½	38⅝	+⅜
GnMotr	36780	27⅝	27	27½	+⅜
WstoEl	34933	15	13¾	14⅝	−⅜
PhilMr	34761	73⅝	72⅛	72⅞	+⅝
GenEl	31384	70⅛	68⅝	69⅞	+1¾
PepsiC	30232	33⅝	32⅝	33	+¼
Exxon	27097	60	59	59⅝	+⅜
IBM	26495	86¼	85	85½	+⅜
WalMt	26070	53⅝	53	53½	+⅜
GTE	25539	33⅞	33	33½	+1
RJR Nb n	24797	10⅛	9⅞	9⅞	
Limitd	23853	26⅞	25⅜	26¾	+1⅜
BnkAm	20808	33⅞	31⅝	33⅝	+2⅛
EKodak	20471	45¼	43⅞	44⅞	−⅜

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
MagmC	42866	5⅛	4⅝	5⅛	+½
EchoBy	5924	6⅝	6⅜	6⅝	
Amdhl	3958	13¾	13⅛	13⅝	+⅜
Alza s	3719	47	45¾	46¼	+⅜
OBrien	3695	4⅛	4	4⅛	−⅛
A-atl2 sc	3619	8⅝	8⅜	8½	+¼
WangB	3300	2¼	2	2⅛	
FruitL	3239	24⅝	23⅝	23⅝	−⅜
JanBell	3239	14	13⅝	13⅝	−⅜
IvaxCp s	2763	33¼	32	32⅝	+½
NY Tim	2381	21½	20	21⅛	+1⅛
ENSCO	2329	1⅝	1½	1½	
A-ge sc	2181	4⅝	4⅛	4⅝	+½
Hasbro	2164	37⅛	36⅝	36⅞	
A-gle sc	1966	11¼	10½	10⅞	+⅜

NYSE Diary

	Close	Prev.
Advanced	1134	693
Declined	625	1026
Unchanged	457	469
Total Issues	2216	2188
New Highs	116	52
New Lows	43	71

Amex Diary

	Close	Prev.
Advanced	325	222
Declined	258	363
Unchanged	296	278
Total Issues	871	863
New Highs	32	18
New Lows	18	29

NASDAQ Diary

	Close	Prev.
Advanced	1,090	827
Declined	978	1,234
Unchanged	2,129	2,129
Total Issues	4,129	4,190

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	2949.02	2965.79	2907.65	2934.48	+20.12
Trans	1216.74	1224.59	1195.25	1207.43	+4.91
Util	217.70	218.95	214.95	217.33	−.57
Comp	1070.28	1076.61	1054.40	1062.57	+8.25

Standard & Poor's Indexes

	High	Low	Close	Ch'ge
Industrials	457.56	451.55	455.98	+4.43
Transp.	307.20	302.43	305.27	+2.56
Utilities	150.45	147.17	150.29	+3.11
Finance	30.96	29.76	30.31	+0.55
SP 500	388.24	382.52	387.04	+4.52
SP 100	363.06	357.89	362.61	+4.33

NYSE Indexes

	High	Low	Close	Ch'ge
Composite	213.69	210.23	213.13	+2.22
Industrials	265.24	262.51	264.40	+2.21
Transp.	181.37	180.43	181.24	+1.39
Utilities	96.67	95.04	96.61	+1.79
Finance	158.69	157.54	158.37	−2.30

NASDAQ Indexes

	High	Low	Close	Ch'ge
Composite	539.92	534.57	535.76	−1.22
Industrials	612.04	604.99	605.21	−0.09
Finance	529.54	525.19	529.01	+4.15
Insurance	553.20	550.71	552.44	−1.95
Utilities	589.36	582.54	586.36	+6.94
Banks	324.81	321.12	323.00	+1.55
Transp.	526.82	520.33	520.54	−1.15

AMEX Stock Index

High	Low	Close	Ch'ge
369.05	366.57	367.22	+0.62

Dow Jones Bond Averages

	Close	Ch'ge
20 Bonds	98.22	+0.22
10 Utilities	99.44	+0.18
10 Industrials	96.30	+0.25

Market Sales

NYSE 4 p.m. volume	313,810,000
NYSE prev. cons. close	243,153,290
Amex 4 p.m. volume	29,330,000
Amex prev. cons. close	21,755,000
NASDAQ 4 p.m. volume	199,260,100
NASDAQ prev. 4 p.m. volume	174,579,000

N.Y.S.E. Odd-Lot Trading

	Buy	Sales	Short*
Dec. 19	877,130	339,755	15,192
Dec. 18	1,032,623	745,526	4,462
Dec. 17	914,384	752,363	13,274
Dec. 16	775,950	762,305	36,026
Dec. 13	714,429	880,798	13,376

*Included in the sales figures

S&P 100 Index Options

Dec. 20

Strike Price	Calls-Last Dec	Calls-Last Jan	Calls-Last Feb	Calls-Last Mar	Puts-Last Dec	Puts-Last Jan	Puts-Last Feb	Puts-Last Mar
330	—	[illegible]	—	34¼	—	[illegible]	[illegible]	18
335	25⅝	—	—	—	[illegible]	[illegible]	[illegible]	—
340	21¼	22¼	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]
345	17¼	18¼	[illegible]	—	[illegible]	[illegible]	[illegible]	—
350	12½	14½	16¼	18¼	[illegible]	[illegible]	[illegible]	[illegible]
355	7⅝	10⅝	13¼	—	[illegible]	[illegible]	[illegible]	—
360	2⅝	6⅞	10	13	[illegible]	[illegible]	[illegible]	10
365	[illegible]	—	[illegible]	—	[illegible]	[illegible]	[illegible]	—
370	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—
375	—	[illegible]	[illegible]	—	[illegible]	[illegible]	[illegible]	—
380	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
385	[illegible]	[illegible]	[illegible]	—	—	—	—	—
390	—	[illegible]	[illegible]	[illegible]	—	[illegible]	—	—

Calls, total vol. 302,362; total open int. [illegible]
Puts, total vol. 254,880; total open int. [illegible]

	Dec 92	Dec 93	Dec 92	Dec 93
27½	—	—	[illegible]	—
30	—	8	[illegible]	—
32½	[illegible]	[illegible]	[illegible]	[illegible]
35	[illegible]	—	[illegible]	[illegible]
37½	—	—	[illegible]	[illegible]
40	—	—	[illegible]	[illegible]

Calls: total vol. [illegible]; total open int. [illegible]
Puts: total vol. [illegible]; total open int. [illegible]
Source: CBOE.

American Express Drops Ashley

NEW YORK (AP) — American Express Co. confirmed Friday that it has stopped doing business with Laura Ashley after the upscale British clothing and home furnishings chain attempted to encourage customers to use other credit cards.

The dispute arose after Laura Ashley apparently tried to negotiate the fees it pays American Express for purchases on American Express cards. Laura Ashley wanted the same fee structure to apply in each of the 17 countries in which it operates outlets. American Express charges different rates in each country, some as much as 2 percentage points higher than others.

When American Express was reluctant to negotiate, Laura Ashley began discouraging customers from making purchases with their American Express cards.

EUROPEAN FUTURES

Food

	Close		High	Low	Prev. Close	
SUGAR (FOX) U.S. Dollars per metric ton-lots of 50 tons						
Mar	193.80	194.90	194.00	191.20	191.60	192.40
May	191.20	193.20	171.00	190.00	189.20	191.40
Aug	195.00	195.00	193.00	193.00	190.40	195.40
Oct	191.00	194.00	192.00	192.00	190.00	195.00
Dec	182.00	193.00	187.00	187.00	181.00	194.00
Mar	177.00	198.00	N.T.	N.T.	176.00	199.00

Est. Sales 371

COCOA (FOX) Sterling per metric ton-lots of 10 tons						
Dec	727	738	741	729	744	750
Mar	765	766	785	765	784	785
May	790	791	808	790	807	808
Jul	815	816	833	815	833	834
Sep	836	838	852	836	856	857
Dec	865	856	886	878	886	887
Mar	895	896	915	895	914	915
May	909	915	N.T.	N.T.	928	930
Jul	925	933	N.T.	N.T.	944	946
Sep	938	940	955	939	959	960

Est. Sales 5,376

COFFEE (FOX) Sterling per metric ton-lots of 5 tons						
Jan	540	541	555	541	544	545
Mar	548	550	558	546	548	550

Est. Sales 1,341

WHITE SUGAR (Matif) Dollars per metric ton-lots of 50 tons closing

	High	Low	Close		Ch'ge
Mar	278.30	275.00	277.50	278.20	+2.00
May	278.00	276.00	278.00	279.00	+2.50
Aug	281.50	N.T.	281.50	282.50	+3.00
Oct	N.T.	N.T.	260.00	262.00	+1.30
Dec	N.T.	N.T.	258.00	260.00	+1.00
Mar	N.T.	N.T.	259.00	261.00	+1.00

Est. sales 277. Prev. sales 330.
Open interest 12,452.

Metals

	Close Bid	Close Ask	Previous Bid	Previous Ask
ALUMINUM (High Grade) Dollars per metric ton				
Spot	1109.50	1110.50	1105.00	1106.00
Forward	1133.00	1134.00	1129.00	1130.00
COPPER CATHODES (High Grade) Sterling per metric ton				
Spot	1168.50	1169.50	1185.50	1186.50
Forward	1193.50	1194.00	1272.00	1212.50
LEAD Sterling per metric ton				
Spot	283.50	284.50	287.00	288.00
Forward	295.00	296.00	298.50	299.00
NICKEL Dollars per metric ton				
Spot	7150.00	7160.00	7175.00	7185.00
Forward	7190.00	7195.00	7248.00	7250.00
TIN Dollars per metric ton				
Spot	5525.00	5535.00	5505.00	5513.00
Forward	5580.00	5590.00	5560.00	5565.00
ZINC (Special High Grade) Dollars per metric ton				
Spot	1172.00	1174.00	1160.00	1165.00
Forward	1115.00	1116.00	1107.00	1108.00

Financial

	High	Low	Close	Change
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct				
Mar	89.50	89.33	89.45	−0.10
Jun	89.73	89.62	89.71	−0.07
Sep	90.02	89.92	90.01	−0.03
Dec	90.19	90.11	90.19	Unch.
Mar	90.20	90.13	90.20	Unch.
Jun	90.22	90.13	90.20	+0.01
Sep	90.17	90.17	90.17	−0.02
Dec	90.16	90.11	90.16	Unch.
Mar	N.T.	N.T.	90.16	Unch.

Est. volume: 52,309. Open interest: 144,301.

3-MONTH EURODOLLARS (LIFFE) $1 million - pts of 100 pct				
Mar	95.93	95.61	95.90	+0.29
Jun	95.80	95.48	95.77	+0.29
Sep	95.52	95.27	95.51	+0.26
Dec	94.77	94.77	95.01	+0.27
Mar	N.T.	N.T.	94.74	+0.25
Jun	N.T.	N.T.	94.29	+0.22
Sep	N.T.	N.T.	93.91	+0.22

Est. volume: 2,699. Open interest: 29,304.

3-MONTH EUROMARKS (LIFFE) DM1 million - pts of 100 pct				
Mar	90.57	90.41	90.53	+0.03
Jun	90.88	90.71	90.86	+0.01
Sep	91.20	91.04	91.19	+0.01
Dec	91.34	91.24	91.33	−0.02
Mar	91.53	91.47	91.52	Unch.
Jun	91.64	91.55	91.65	Unch.
Sep	91.79	91.65	91.79	+0.01
Dec	91.75	91.75	91.80	+0.01

Est. volume: 56,091. Open interest: 165,853.

LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct				
Dec	N.T.	N.T.	95-31	−0-33
Mar	95-19	96-00	96-09	−0-03
Jun	N.T.	N.T.	96-11	−0-03

Est. volume: 17,875. Open interest: 53,807.

	High	Low	Close	Change
GERMAN GOVERNMENT BUND (LIFFE) DM 250,000 - pts of 100 pct				
Mar	87.45	87.10	87.29	Unch.
Jun	N.T.	N.T.	87.74	+0.01

Est. volume: 40,928. Open interest: 87,538.

Industrials

	High	Low	Last	Settle	Ch'ge
GASOIL (IPE) U.S. dollars per metric ton-lots of 100 tons					
Jan	172.75	166.00	175.00	166.50	−8.50
Feb	174.00	167.50	176.00	168.25	−7.50
Mar	171.50	166.50	173.00	166.75	−6.25
Apr	168.50	164.50	168.50	165.00	−3.50
May	166.75	163.00	166.00	163.25	−3.25
Jun	167.00	163.25	166.50	163.25	−3.25
Jul	167.00	164.00	167.50	165.25	−2.25
Aug	165.25	165.25	169.75	167.25	−2.50
Sep	—	—	171.50	169.25	−2.25

Est. Sales 14,617. Prev. sales 12,531.
Open interest 66,799

BRENT CRUDE OIL (IPE) U.S. dollars per barrel-lots of 1,000 barrels					
Feb	18.07	17.37	17.37	17.40	−0.49
Mar	17.88	17.42	17.42	17.44	−0.42
Apr	17.90	17.40	17.40	17.40	−0.40
May	17.62	17.36	17.37	17.38	−0.43
Jun	17.71	17.63	17.63	17.38	−0.41
Jul	N.T.	N.T.	N.T.	17.44	−0.41
Aug	N.T.	N.T.	N.T.	17.39	−0.41
Sep	N.T.	N.T.	N.T.	17.39	−0.41

Est. Sales 8,000. Prev. sales 14,288.
Open interest 79,108

Stock Indexes

	High	Low	Close	Change
FTSE 100 (LIFFE) £25 per index point				
Dec	2390.0	2357.0	2359.0	−39.0
Mar	2429.0	2397.0	2397.8	−40.0
Jun	N.T.	N.T.	2427.0	−40.0

Est. volume: 14,968. Open interest: 42,412.

Sources: Reuters, Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

Dividends

Company	Per	Amt	Pay	Rec
INCREASED				
Pennfirst Bancorp	Q	.09	1-25	12-31
Pioneer Savings Bk	Q	.25	1-24	1-10
Quick & Reilly Gr	Q	.08	4-1	3-2
State Street Boston	Q	.21	1-15	1-2
UST Inc	Q	.40	3-14	3-5
INITIAL				
Air Trans Hldg	-	.01	1-20	1-6
Guilford Mills	-	.15	2-28	2-6
Heilig-Meyers	-	.08	2-22	1-22
UST Inc	-	.28	3-14	3-5
STOCK SPLIT				
Guilford Mills — 3-for-2				
Heilig-Meyers Co — 3-for-2				
Pennfirst Bancorp — 6-for-5				
SouthTrust Corp — 3-for-2				
UST Inc — 2-for-1				
STOCK				
Great Lakes Bncp		.2PC	1-15	1-1
Old Natl Bancorp		.5PC	1-31	1-17
Warner Computer		.5PC	1-14	12-31
USUAL				
Ampco-Pittsburgh	Q	.07½	1-31	1-15
Bell Atlantic Corp	Q	.63	2-3	1-10
Canaldan Pacific	Q	c-.08	1-28	12-27
CFSB Bancorp	Q	.07	1-15	12-31
Comcast Corp cl-A	Q	.03½	3-27	3-6
Convertible Hold	Q	.35	1-13	12-31
Excel Industries	Q	.06	1-20	1-3
First Peoples Finl	Q	.37½	1-15	12-31
Foothill IndepBnco	Q	.10	1-17	1-3
Gillette Co	Q	.15½	3-5	2-3
Great Southern Bncp	Q	.09	1-21	1-10
Gulf Canada Res	Q	c-.10	1-10	1-2
Imperial Holly	Q	.12	1-7	12-30
Interstate Bakeries	Q	.11	2-3	1-15
Intertrans Corp	Q	.05	1-10	12-31
Justin Industries	Q	.10	1-9	12-30
Knight-Ridder	Q	.35	1-14	1-6
Labatt (John) Ltd	Q	c-.20	1-15	12-27
Midwest Grain Prod	Q	.17½	2-7	1-13
Natl Penn Bncshs	Q	.30	2-17	1-13
Natl Svgs Bk Albany	Q	.30	1-15	1-2
Nrthrn States Pwr	Q	.60½	1-20	1-2
NYNEX Corp	Q	1.14	2-3	12-31
Peoples Bncp Ind	Q	.17	1-16	1-2
Petrie Stores	Q	.05	1-23	1-8
Pioneer-Std Elec	Q	.04	2-1	1-8
Summcorp	Q	.20	2-1	1-15
Sunrise Bancorp	Q	.12½	1-15	1-2
Transamerica Corp	Q	.50	1-31	12-31
Tyco Labs	Q	.09	2-3	1-7
UJB Finl Corp	Q	.15	2-3	1-8
Valmont Indust	Q	.06½	1-15	12-27
Van Dorn Co	Q	.15	2-3	1-17
Wiley (J) Sons cl-B	Q	.24½	1-9	12-27

Source: UPI.

U.S./AT THE CLOSE

Kodak to Take $495 Million Charge

ROCHESTER, New York (AP) — Eastman Kodak Co. will write off $495 million in the fourth quarter to pay for a reorganization announced earlier this year, company officials said Friday.

A total of 6,733 Kodak employees took advantage of an early retirement plan originally intended to trim 3,000 from the work force. The company already took a $435 million charge in the third quarter, much of which went to pay for the early retirement plan.

Kodak said more than two-thirds of the $495 million after-tax charge is due to extra costs for employees taking early retirement. The rest reflects costs of reorganizing manufacturing and photofinishing operations abroad. Kodak estimated that the annual after-tax cost savings from the early retirement program will exceed $150 million, beginning in 1992.

Computer Sciences Gets U.S. Contract

EL SEGUNDO, California (Reuters) — Computer Sciences Corp. said Friday that it had received a U.S. Department of Defense contract to supply a computer system to manage weapons-systems information.

The contract is valued at $744 million over 12 years if the government exercises all options.

Computer Sciences said the new system would include imaging and other advanced digital technology to help the government cut paperwork. The system, called the Joint Computer-Aided Acquisition and Logistic Support system, will link computers and terminals at 245 military sites across the United States.

Novell Says Disks Are Contaminated

PROVO, Utah (UPI) — Novell Inc., the largest U.S. supplier of office-networking software for personal computers, said Friday that it had shipped virus-contaminated disks to thousands of customers this month.

A Novell spokesman said the virus was on disks containing the December update for Novell's Network Support Encyclopedia, a resource for administrators in charge of running Novell software-based networks. The virus, known as Stoned III, slows operation and displays a message on the infected system's monitor announcing, "Your PC is now stoned. Legalize marijuana." Once the message is displayed, the computer locks up.

Pfizer Selling Most of Shiley to Fiat

IRVINE, California (UPI) — Pfizer Inc. said Friday it had agreed to sell most of of its troubled Shiley Inc. subsidiary to a unit of Fiat SpA of Italy for an undisclosed price. Shiley has about $170 million in annual sales.

Shiley will continue to handle the liabilities from the failures of its Bjork-Shiley heart valve, which has been implanted in 86,000 patients. About 450 valves have fractured so far, leading to nearly 300 deaths. Shiley withdrew the valve from the market in 1986.

Air Traffic Expected to Fall

New York Times Service

NEW YORK — While 24 million passengers are expected to fly in the United States between now and Jan. 4, an increase of 1.5 percent over the comparable period a year ago, the Air Transport Association predicted 1991 would still be a disaster for the industry.

According to the association, traffic will fall 3.5 percent, to about 449 million passengers. The association also estimated the U.S. carriers would have losses of $1.8 billion this year, after a record $4 billion deficit last year.

The association is projecting a 6 percent increase in traffic next year and profits of $300 million. "But that $300 million will come from ticket sales of roughly $80 billion," said William Jackman, a vice president of the association.

In the first 10 months of this year, the airlines increased the percentage of seats they filled to 63 percent, from 62.4 percent last year, the association said.

WORLD STOCK MARKETS

Agence France Presse — Dec. 20 — Close / Prev.

Amsterdam

	Close	Prev.
ABN Amro Hld	41.70	41.80
ACF Holding	30.70	31.20
Aegon	118.30	118.70
Ahold	75.10	75.70
Akzo	127.40	126.90
AMEV	49.60	49.70
A'Dam Rubber	3.40	3.40
Bols	42.80	42.80
Buhrmann Tett	38.10	38.70
Center Parcs	19.50	20
CSM	86.10	85.90
DAF	21.10	21.50
DSM	89.90	91.50
Elsevier	99.40	99.60
Fokker	28.40	28.50
Gist-Brocades	30.50	30.80
Heineken	151.60	152
Hoogovens	43.40	45.20
Hunter Douglas	57	57.50
IHC Caland	56.20	55.40
Inter Mueller	55	53.50
Int'l Nederland	45.10	45.10
KLM	39.70	39.20
KNP	43.70	44.70
Nedlloyd	52.50	52.30
Oce Grinten	59.60	59.80
Pakhoed	40	41
Philips	29.50	30.50
Robeco	90.80	91.80
Rodamco	55.20	55.20
Rolinco	91.50	92.50
Rorento	69.40	69.60
Royal Dutch	140	142.60
Unilever	169.20	172
Van Ommeren	39.40	40.40
VMF Stork	40.20	40.40
VNU	69.50	70.70
Wessanen	77.80	77.80
Wolters/Kluwer	59.10	59.50

CBS Trend Index: 86.60
Previous: 87.20

Brussels

	Close	Prev.
Acec-UM	2250	2120
AG Fin	1745	1735
Arbed	3250	3250
Barco	954	958
Bekaert	9060	9070
Cockerill	135	136
Cobepa	N.Q.	4610
Delhaize	7900	7940
Electrobel	4730	4715
GIB	1212	1220
GBL	3290	3285
Gevaert	6150	6100
Hoboken	9530	9530
Kredietbank	4085	4085
Petrofina	10550	10475
Royal Belge	3800	3820
Soc Gen Banque	5950	5900
Soc Gen Belgique	1790	1800
Sofina	10975	10900
Solvay	11425	11375
Tractebel	7650	7800
UCB	18600	18500
Powerfin	2525	2545

Current Stock Index: 5374.56
Previous: 5385.56

Frankfurt

	Close	Prev.
AEG	198.50	199.90
Allianz Hold	2030	2053
Altana	560	563
Asko	584.20	582.50
BASF	216.50	221.80
Bayer	276.30	278.10
Bay. Hypo bank	370	371
Bay Vereinsbk	395	395
BBC	680	694
BHF Bank	403	397
BMW	468	474
Commerzbank	240.50	242.50
Continental	205	216.50
Daimler Benz	724.50	726.50
Degussa	279	280.50
Dt Babcock	137	141.50
Deutsche Bank	657.70	661.80
Douglas	645	664.50
Dresdner Bank	323	328
Feldmuehle	506.50	506.50
Harpener	265	270
Henkel	505.50	519.50
Hochtief	990	990
Hoechst	214.50	217.20
Hoesch	254	264.50
Holzmann	998	1004
Horten	173	173
IWKA	273	274
Kali Salz	133	134
Karstadt	606.50	614
Kaufhof	418	429.50
KHD	128.50	125.10
Kloeckner Werke	101.50	102
Krupp Stahl	129.10	129.50
Linde	673	687
Lufthansa	156.20	158.50
MAN	322	328.50
Mannesmann	243	243
Metallgesell	365.10	380
Muench Rueck	N.A.	2265
Nixdorf	192.60	195.80
PKI	547	545
Porsche	515	515
Preussag	303.50	309.50
PWA	206	208
RWE	374	378.90
Rheinmetall	249	248
Schering	765.50	769.20
SEL	440	444
Siemens	617.60	618.50
Thyssen	196.50	198
Varta	272	274
Veba	351	355.10
VEW	215	210
Viag	352.50	359.20
Volkswagen	293	296.10
Wella	520	528

DAX Index: 1543.19
Previous: 1561.77
FAZ Index: 629.37
Previous: 636.11

Helsinki

	Close	Prev.
Amer A	60	60
Enso-Gutzeit	19.10	19
K.O.P.	17.30	17.40
Kymmene	69	70
Metra	48.50	49
Nokia	61.50	59
Pohjola	70	67
Repola	43	38
Stockmann	156	155

HEX Index: 774.20
Previous: 768.50

Hong Kong

	Close	Prev.
Bk East Asia	23	23.20
Cathay Pacific	9.55	9.60
Cavendish Int'l	3.53	3.55
Cheung Kong	18.80	18.80
China Light Pwr	22	22.20
Dairy Farm Int'l	9.55	9.60
Hang Lung Dev	7.95	7.90
Hang Seng Bank	36.25	36.25
Henderson Land	13.20	13.30
HK Air Eng.	16.90	16.70
HK China Gas	10.90	11.10
HK Electric	13.20	13.20
HK Land	9	9
HK Realty Trust	6.85	6.85
HK Shang Bank	35	35.50
HK Shang Hils	4.48	4.55
HK Telecomm	7.80	7.90
HK Ferry	5.30	5.35
Hutch Whampoa	14.30	14.40
Hysan Dev	8.05	8.15
Jardine Math.	37.25	38.50
Jardine Str Hld	18	18.40
Kowloon Motor	7.50	7.50
Mandarin Orient	5.35	5.35
Miramar Hotel	6.40	6.35
New World Dev	10.50	10.50
SHK Props	22.10	22.30
Stelux	4.58	4.48
Swire Pac A	22.40	22.80
Tai Cheung Pros	4.90	4.95
TVE	2.68	2.68
Wharf Hold	10.70	11
Wing On Co	6.85	6.95
Winsor Ind.	9.40	9.50
World Int'l	5.25	5.35

Hang Seng Index: 4142.61
Previous: 4182.81

Johannesburg

	Close	Prev.
AECI	9	9
Altech	89	89
Anglo Amer	123.50	125.50
Barlows	49	49.25
Blyvoor	6	6
Buffels	34.50	34.50
De Beers	89	89
Driefontein	38	38.15
Gencor	12	12.30
GFSA	77.75	78
Harmony	20	20
Highveld Steel	14.70	14.75
Kloof	31.50	31.75
Nedbank Grp	15.60	15.80
Randfontein	16.50	17
Rusplat	59.50	59.25
SA Brews	54.75	55.25
St Helena	23	23
Sasol	18.75	18.55
Welkom	16.50	16.50
Western Deep	113	116.50

Composite Stock Index: 3418
Previous: 3438

London

	Close	Prev.
Abbey Nat'l	2.73	2.74
Allied Lyons	5.92	5.95
Arlo Wiggins	2.38	2.40
Argyll Group	2.73	2.74
ASDA Group	0.30	0.28
Ass Brit Foods	4.51	4.52
BAA	5.20	5.20
BAe	3.10	3.13
Bank Scotland	1.08	1.09
Barclays	3.59	3.62
Bass	9.95	9.92
BAT	5.84	5.79
BET	1.72	1.75
BICC	3.11	3.12
Blue Circle	2.07	2.06
BOC Group	5.89	6.01
Boots	4.24	4.28
BP	2.80	2.90
Brit Airways	2.09	2.10
Brit Gas	2.44	2.57
Brit Steel	0.62	0.63
Brit Telecom	3.22	3.22
BTR	3.68	3.77
Cable Wire	5.75	5.70
Cadbury Sch	4.17	4.15
Comm Union	4.34	4.45
Courtaulds	4.48	4.58
Enterprise Oil	4.39	4.57
Eurotunnel	3.50	3.59
Fisons	3.21	3.27
Forte	2.24	2.22
GEC	1.94	1.94
Gen'l Acc	4.22	4.39
Glaxo	7.75	7.97
Grand Met	8.49	8.53
GRE	1.04	1.08
Guinness	4.94	5
GUS A	13.45	13.73
Hanson	1.90	1.93
Hillsdown	1.56	1.55
ICI	11.19	11.40
Inchcape	3.65	3.71
Kingfisher	4.68	4.78
Ladbroke	2.09	2.08
Land Sec	4.48	4.55
Lasmo	2.24	2.31
Legal Gen Grp	3.49	3.57
Lloyds Bank	3.69	3.72
Lonrho	1.51	1.57
Lucas Ind	1.09	1.12
Marks Sp	2.72	2.73
Maxwell	Susp.	
MEPC	3.88	4.02
Midland Bk	1.95	2.02
Nat'l Power	1.38	1.44
NatWest	2.75	2.68
Nthwst Water	3.33	3.43
Pearson	6.70	6.88
P&O	4.23	4.30
Pilkington	1.20	1.22
PowerGen	1.49	1.51
Prudential	2.20	2.23
Rank Org	5.57	5.51
Reckitt Col	6.14	6.15
Redland	4.19	4.18
Reed Int'l	5.12	5
Reuters	9.45	9.65
RMC Group	5.03	5
Rolls Royce	1.25	1.24
Rothmans	10.09	9.85
Royal Ins	2.16	2.29
Royal Scot	1.49	1.52
RTZ	4.47	4.81
Sainsbury	3.54	3.50
Scot Newcas	4.06	4.06
Scot Power	1.01	1.03
Sears Holds	0.86	0.89
Severn Trent	3.28	3.28
Shell	4.73	4.80
Smith Nephew	1.35	1.35
SmithKline B	8.02	8.15
Sun Alliance	2.71	2.81
Tarmac	1	1.06
Tate & Lyle	3.89	3.88
Tesco	2.10	2.18
Thorn EMI	7.25	7.25
Trafalgar Hse	1.25	1.47
TSB Group	1.16	1.19
Unilever	8.43	8.50
Utd Biscuits	3.88	3.90
Vodafone	3.50	3.54
War Loan 3½	36.91	37.03
Wellcome	9.52	9.41
Whitbread	4.06	4.06
Williams Hdgs	2.99	3.09
Willis Corroon	2.41	2.47

F.T. 30 Index: 1791.90
Previous: 1814.70
F.T.S.E. 100 Index: 2358.10
Previous: 2397.40

Madrid

	Close	Prev.
BBV	2385	2380
Banco Central	3990	3980
Banco Santander	3760	3780
Banesto	2650	2705
CEPSA	2300	2295
Dragados	1635	1595
Endesa	2775	2705
Ercros	285	290
Iberdrola I	690	689
Tabacalera	5650	5450
Telefonica	1190	1195

S.E. General Index: 230.86
Previous: 231.47

Milan

	Close	Prev.
Alenia	2065	2079
Banca Comm	3555	3610
Bastogi	140	146
Benetton group	10320	10400
Ciga hotels	1552	1540
CIR	1590	1640
Cred Ital	1925	1952
Enichem	1369	1371
Eridania	6650	6700
Ferfin	1535	1563
Ferfin Risp	1182	1166
Fiat SPA	4450	4515
Generali	27850	27200
IFI	11800	12050
Italcem	19550	19750
Italgas	3199	3175
Italmobiliare	63000	63500
Mediobanca	13100	13190
Montedison	1165	1185
Olivetti	2300	2450
Pirelli	1055	1067
RAS	19075	19249
Rinascente	6000	6099
Saipem	1595	1629
SIP	1310	1315
SME	3147	3149
Snia	1005	1010
Standa	32050	32850
Stet	2801	2815
Toro Assi Risp	20800	21100

MIB Index: 947
Previous: 957

Montreal

	Close	Prev.
Alcan Aluminum	21⅛	21½
Bank Montreal	42⅛	42⅜
Bell Canada	46¼	46⅜
Bombardier A	26	25⅞
Bombardier B	25⅞	25⅞
Cambior	8⅛	8⅛
Cascades	5⅝	5½
Dominion Text A	7	7
Donohue	12¾	11⅞
MacMillan Bl	17⅛	16½
Natl Bk Canada	11⅛	11⅛
Power Corp.	14⅝	14½
Provigo	9⅛	9⅜
Quebec Tel	18⅛	18⅜
Quebecor A	20	N.Q.
Quebecor B	19⅝	19½
Teleglobe	10⅝	N.Q.
Videotron	15	15

Industrials Index: 1523.48
Previous: 1522.67

Paris

	Close	Prev.
Accor	585	608
Air Liquide	644	648
Alcatel Alsthom	538	539
Axa	658	700
Bancaire (Cie)	446	462
BIC	598	601
Bouygues	491	500
BSN-GD	957	968
Carrefour	2200	2229
C.C.F.	157	158.80
Cerus	89.50	89
Chargeurs	860	860
Ciments Franc	253	260
Club Med	382.30	395
Elf-Aquitaine	384	388
Gen. Eaux	1975	1993
Euradisneyland	134	135.60
Hachette	120	125
Havas	397	418
Imetal	229	234
Lafarge Coppee	298	300
Legrand	3540	3573
Lyon. Eaux	437	454.80
Oreal (L')	700	715
L.V.M.H.	3863	4050
Matra	152.10	154.50
Merlin Gerin	462	463
Michelin B	115.50	117.60
Moulinex	147	150.10
Paribas	278	289
Pechiney Intl	154.30	155.50
Pernod-Ricard	1188	1187
Perrier	1255	1304
Peugeot	574	585
Printemps (Au)	803	804
Radiotechnique	450	462.50
Raff. St. Louis	1095	1111
Redoute (La)	4450	4485
Saint Gobain	400.90	410.60
Sanofi	947	960
S.E.B.	1649	1652
Ste Generale A	435	447.40
Suez	257	269.90
Thomson-CSF	147	145
Total	942	949
U.A.P.	428.80	443
Valeo	547	550

CAC 40 Index: 1648.50
Previous: 1684.19

Sao Paulo

	Close	Prev.
Banco do Brasil	56	45.30
Bradesco	26	22.50
Brahma	198	192
Paranapanema	6.35	5.71
Petrobras	4450	4400
Vale Rio Doce	53	54
Varig	82	82

Bovespa Index: 51328
Previous: 48692

Singapore

	Close	Prev.
Cerebos	2.60	2.60
City Dev.	3.86	3.82
DBS	11.40	11.50
Fraser Neave	8.50	8.50
Genting	6.60	6.60
Golden Hope Pl	1.29	1.32
Haw Par	2.48	2.48
Hume Industries	3	3.04
Inchcape	4.20	4.18
Keppel	7.70	7.85
K.L. Kepong	2.09	2.10
Lum Chang	0.99	0.99
Malayan Banking	3.98	3.94
OCBC	8.80	8.75
OUB	4.58	4.60
OUE	8	7.95
Sembawang	7.95	7.90
Shangrila	5.70	5.65
Sime Darby	2.27	2.27
SIA	12.90	13
S'pore Land	5.25	5.25
S'pore Press	8.90	8.85
Sing Steamship	2.69	2.70
Straits Trading	2.59	2.60
UOB	6.10	6.10
UOL	1.50	1.50

Straits Times Ind.: 1426.83
Previous: 1431.64

Stockholm

	Close	Prev.
AGA	296	295
Asea	275	277
Astra -A	497	495
Atlas Copco	231	238
Electrolux B	203	213
Ericsson	93	89
Essette-A	150	110
Handelsbanken	91	90
Norsk Hydro	129.50	129
Procordia AF	196	196
Providentia	78	78
Sandvik A	335	345
SCA-A	100	102
S-E. Banken	49	49
Skandia F	164	165
Skanska	127	129
SKF	89	88
Stora	233	235
Trelleborg B	89	91
Volvo	310	315

Affaersvaerlden: 809.77
Previous: 818.20

Sydney

	Close	Prev.
ANZ	4.79	4.77
BHP	13.02	13.20
Boral	3.29	3.29
Bougainville	0.64	0.64
Coles Myer	11.94	12.04
Comalco	3.55	3.57
CRA	11.40	11.46
CSR	4.64	4.71
Dunlop	5.33	5.42
Fosters Brew	1.76	1.77
Goodman Field	1.52	1.52
ICI Australia	5.32	5.35
Magellan	2.20	2.22
MIM	2.06	2.12
Nat Aust Bank	8.17	8.16
News Corp	12.54	12.54
Nine Network	0.67	0.68
Pioneer Int'l	3.01	3
Nmndy Poseidon	1.13	1.14
N Broken Hill	2.26	2.24
QCT Resources	1.17	1.16
Santos	2.72	2.75
TNT	1.47	1.50
Western Mining	4.24	4.25
Westpac Banking	4.43	4.48
Woodside	3.86	3.91

All Ordinaries Index: 1573.60
Previous: 1581.40

Tokyo

	Close	Prev.
Akai Electr	750	755
Asahi Chemical	702	706
Asahi Glass	1130	1120
Bank of Tokyo	1430	1430
Bridgestone	1000	1000
Canon	1380	1390
Casio	1300	1300
C.Itoh	575	588
Dai Nippon Print	1430	1470
Daiwa House	1930	1930
Daiwa Securities	1050	1110
Fanuc	4080	4180
Fuji Bank	2330	2380
Fuji Photo	2760	2780
Fujitsu	801	827
Hitachi	875	890
Hitachi Cable	782	802
Honda	1380	1440
Ito Yokado	4350	4390
Japan Airlines	951	945
Kajima	1280	1290
Kansai Power	2780	2880
Kawasaki Steel	342	346
Kirin Brewery	1250	1250
Komatsu	710	710
Kubota	607	616
Kyocera	3950	4050
Matsu Elec Inds	1360	1380
Matsu Elec Wks	1260	1280
Mitsubishi Bk	2460	2460
Mitsubishi Kasei	493	491
Mitsubishi Elec	565	570
Mitsubishi Hev	650	671
Mitsubishi Corp	1210	1230
Mitsui and Co	680	691
Mitsukoshi	1150	1130
Mitsumi	1190	1230
NEC	1130	1120
NGK Insulators	1090	1100
Nikko Securities	818	820
Nippon Kogaku	870	860
Nippon Oil	867	878
Nippon Steel	355	351
Nippon Yusen	562	566
Nissan	643	669
Nomura Sec	1540	1560
NTT (SF)	7759	7907
Olympus Optical	1350	1360
Pioneer	3250	3280
Ricoh	584	585
Sanyo Elec	496	500
Sharp	1270	1280
Shimazu	683	709
Shinetsu Chem	1410	1410
Sony	4030	4050
Sumitomo Bk	1980	2040
Sumitomo Chem	466	455
Sumi Marine	920	926
Sumitomo Metal	345	349
Taisei Corp	808	810
Taisho Marine	907	955
Takeda Chem	1250	1250
TDK	4090	4210
Teijin	508	515
Tokyo Marine	1210	1210
Tokyo Elec Pw	3400	3400
Toppan Printing	1300	1310
Toray Ind.	610	612
Toshiba	605	629
Toyota	1440	1460
Yamaichi Sec	666	679

Nikkei 225: 21777
Previous: 21991
Topix Index: 1648
Previous: 1668

Toronto

	Close	Prev.
Abitibi Price	14½	14½
Agnico Eagle	4.30	4.35
Air Canada	6¾	6¾
Alberta Energy	11⅛	12⅛
Am Barrick Res	25⅞	25⅞
BCE	46⅝	45½
Bk Nova Scotia	25	30⅛
BC Gas	15⅛	16
BC Phone	22⅝	22¼
BF Realty Hds	0.09	0.09
BP Canada	12	12
Bramalea	4.55	4.30
Brunswick	7⅛	6⅞
CAE	4⅜	5¼
Campeau	0.52	0.55
CIBC	31⅛	31⅜
Canadian Pacific	16¼	16¼
Can Packers	16⅛	16
Can Tire A	21⅝	21⅝
Canadian Turbo	1⅛	1.25
Cantor	22	21¼
Cara	5⅝	4.90
CCL Ind B	5⅛	5⅛
Cineplex	2.45	2.35
Cominco	20⅛	20
Conwest Expl A	5⅛	5⅛
Corona Intl	5⅛	5⅛
Denison Min B	0.15	0.15
Dickenson Min A	3.40	3.40
Dofasco	15⅛	15⅛
Dylex A	3	3
Echo Bay Mines	7⅛	7⅛
Equity Silver A	1.03	1.03
FCA Intl	4.80	4.80
Fed Ind A	7⅛	7⅛
Fletcher Chall A	14¼	14⅛
FPI	6	5⅞
GoldCorp	3.15	3.20
Grafton Group	[illegible]	N.Q.
Gulf Cda Res	5⅛	6⅛
Hees Intl	14⅛	14
Hemlo Gld Mines	10⅛	10⅛
Hollinger	11⅛	11⅛
Horsham	9⅛	10⅛
Hudson's Bay	32⅛	32
Imasco	35⅛	35⅛
Inco	32⅛	32⅛
Interprov Pipe	31⅛	30
Jannock	16⅜	16⅜
Labatt	25⅜	25
Loblaw Co	16⅛	16⅛
Mackenzie	5⅛	5⅛
Magna Intl A	17⅛	17⅜
Maritime	20⅝	20½
Mark Res	5⅛	5⅞
MacLean Hunter	11	11
Molson A	29⅛	29⅛
Noma Ind A	5⅛	5⅛
Noranda Inc	16⅛	17
Noranda Forest	9	7⅜
Norcen Energy	22⅛	23
Nova Corp	6⅛	6⅛
Oshawa	21⅛	21
Pagurin A	4.35	4.40
Placer Dome	11⅛	11⅞
Poco Petroleum	5⅛	5⅛
PWA Corp	5⅛	5⅜
Quebec Sturgeon	0.23	0.20
Rayrock	4.80	4.95
Renaissance	12⅛	12⅛
Rogers B	13⅛	13
Rothmans	74⅛	74⅛
Royal Bank Can	25⅛	25⅜
Royal TrustCo	6⅛	6⅛
Sceptre Res	1⅛	1⅛
Scott's Hosp	14⅛	14⅝
Seagram	127⅞	129⅛
Sears Can	10⅛	9⅛
Shell Can	35	35⅛
Sherritt Gordon	7⅛	7⅛
SHL Systemhse	7⅛	7⅛
Southam	15⅛	15⅛
Spar Aerospace	15⅛	15⅛
Stelco A	N.Q.	—
Teck B	18⅛	18⅛
Thomson News	15	15
Toronto Domn	17⅛	17⅛
Torstar B	20	20⅛
Transalta Util	13⅛	13⅛
TransCda Pipe	17⅛	17⅛
Trilon Finl A	9⅛	9⅛
Trimac	8⅛	8⅛
Trizec A	9⅛	9
Unicorp Energy	0.30	0.27
Woodward's Ltd	1.70	1.70

TSE 300 Index: 3340.90
Previous: 3326.10

Zurich

	Close	Prev.
Adia Intl	377	375
Alusuisse	7	6
Lau Holdings	1740	1715
Brown Boveri	3250	3250
Ciba Geigy	3060	3070
CS Holding	1670	1690
Elektrow	2510	2500
Fischer	880	890
Interdiscount	2330	2300
Jelmoli	1400	1450
Landis Gyr	980	995
Moevenpick	3700	3500
Nestle	8500	8500
Oerlikon-B	225	247
Pargesa Hld	1000	1030
Roche Holding B	2500	2520
Safra Republic	74	75
Sandoz	2250	2250
Schindler	3150	3150
Sulzer	424	425
Surveillance	6880	7080
Swissair	660	655
SBC	271	276
Swiss Reinsur	455	457
Swiss Volksbank	970	955
Union Bank	3460	3530
Winterthur	3460	3470
Zurich Ins	3815	3830

SBS Index: 575.40
Previous: 577.90

U.S. FUTURES

Via Associated Press — Dec. 20

Grains

Season High	Season Low		Open	High	Low	Close	Chg.
WHEAT (CBT) 5,000 bu minimum- dollars per bushel							
3.91¼	2.79	Mar	3.86½	3.91	3.86	3.90½	+.03¾
3.59	2.90½	May	3.63½	3.68	3.63½	3.67¼	+.03
3.40	2.79	Jul	3.33	3.36¾	3.33	3.36¼	+.02¾
3.43	2.92	Sep	3.39	3.41½	3.39	3.41¼	+.02¼
3.53	3.29½	Dec	3.50	3.50	3.50	3.51	
3.17	3.17	Mar	3.54	3.54	3.54	3.54	

Est Sales. Prev. Sales 11,792.
Prev. Day Open Int. 51,538 off 359

5,000 bu minimum- dollars per bushel

	Open	High	Low	Close	Chg.
Mar	3.88½	3.91½	3.87¾	3.91½	+.03
May	3.66¼	3.69½	3.66¼	3.69¼	+.02¾
Jul	3.38	3.41½	3.38	3.41¼	+.02¼
Sep	3.42½	3.43¾	3.42½	3.43¾	+.03¼

Est.Sales	Prv.Sales	Prev.Day Open Int	Chg.
16,335	5,648	32,560	+547

Season High	Season Low		Open	High	Low	Close	Chg.
CORN (CBT) 5,000 bu minimum- dollars per bushel							
2.77¼	2.28½	Mar	2.53	2.54	2.52¼	2.53¾	+.00½
2.79½	2.34¾	May	2.58¼	2.59¾	2.58	2.59½	+.00½
2.82	2.39½	Jul	2.63¼	2.64½	2.62¾	2.63¾	
2.65	2.36½	Sep	2.57½	2.60	2.59	2.60	+.00½
2.60¾	2.36½	Dec	2.55¾	2.56¾	2.55½	2.56¼	+.00½
2.57½	2.53¼	Mar	2.62	2.63	2.62	2.63	+.00¼

Est Sales. Prev. Sales 30,540.
Prev. Day Open Int.224,842 off 1,068

Season High	Season Low		Open	High	Low	Close	Chg.
SOYBEANS (CBT) 5,000 bu minimum- dollars per bushel							
6.59	5.27½	Jan	5.55	5.57½	5.53¾	5.56¾	+.03¾
5.66	5.28	Mar	5.59	5.61	5.56½	5.60½	+.03½
5.68	5.47	May	5.65½	5.67	5.62½	5.66½	+.03¼
5.68	5.62½	Jul	5.72	5.74½	5.70¼	5.74¼	+.04
5.60	5.69	Aug	5.76	5.77	5.76	5.76¾	+.03¾
6.28	5.57	Sep	5.77	5.77	5.77	5.77	+.03
6.20¾	5.52	Nov	5.79¼	5.82	5.78	5.81½	+.02¾
5.97½	5.58	Jan	5.90	5.90	5.90	5.91	+.03
6.04	5.95	Mar				6.01	+.03

Est Sales. Prev. Sales 41,741.
Prev. Day Open Int.115,247 up 1,132

Season High	Season Low		Open	High	Low	Close	Chg.
SOYBEAN MEAL (CBT) 100 tons- dollars per ton							
197.00	161.30	Jan	173.20	173.90	172.10	173.60	+1.50
197.00	163.50	Mar	171.20	171.80	170.40	171.70	+1.60
194.00	164.50	May	171.50	171.80	170.30	171.70	+1.60
196.00	166.00	Jul	171.70	172.90	171.50	172.60	+1.20
188.50	170.90	Aug	173.00	173.40	172.80	173.40	+1.70
186.00	171.30	Sep	172.30	174.00	172.30	174.00	+1.90
194.00	182.30	Oct	185.00	186.00	185.00	185.60	+1.00
196.00	183.50	Dec	186.00	187.00	186.00	187.00	+1.30

Est. Sales. Prev. Sales 20,000.
Prev. Day Open Int.

Season High	Season Low		Open	High	Low	Close	Chg.
SOYBEAN OIL (CBT) 60,000 lbs- dollars per 100 lbs.							
24.15	18.65	Jan	19.03	19.05	18.90	18.99	−.02
24.10	18.90	Mar	19.35	19.35	19.21	19.32	
23.90	19.36	May	19.47	19.67	19.52	19.61	−.06
24.30	19.65	Jul	19.90	19.90	19.90	19.85	−.11
22.30	19.85	Aug	20.05	20.05	20.05	20.05	−.10
22.30	20.00	Sep				20.12	−.11
22.30	20.00	Oct				20.17	−.11
20.50	20.50	Jan				20.50	−.17

Est. Sales. Prev. Sales 14,853.
Prev. Day Open Int. 60,990 up 319

Livestock

Season High	Season Low		Open	High	Low	Close	Chg.
CATTLE (CME) 40,000 lbs.- cents per lb.							
77.27	68.80	Dec	68.85	69.00	67.50	67.90	−1.07
76.70	70.15	Feb	70.10	70.35	68.90	69.37	−.78
77.00	71.35	Apr	71.57	71.75	70.45	70.72	−.78
75.15	68.22	Jun	68.45	68.55	67.40	67.65	−.70
72.60	66.75	Aug	67.20	67.25	66.20	66.27	−.65
72.00	67.15	Oct	67.30	67.30	66.30	66.52	−.93
71.60	68.00	Dec	68.30	68.30	67.35	67.60	−.75

Est. Sales 24,331. Prev. Sales 22,116.
Prev Day Open Int 71,605 off 454

Season High	Season Low		Open	High	Low	Close	Chg.
FEEDER CATTLE (CME) 44,000 lbs.- cents per lb.							
87.80	77.00	Jan	77.20	77.35	75.70	76.15	−.85
87.10	75.35	Mar	75.20	75.65	74.00	74.37	−.98
87.00	74.37	Apr	74.50	75.00	73.25	73.57	−.83
86.50	73.50	May	74.00	74.00	72.65	72.82	−.68
83.00	73.40	Aug	73.45	73.45	72.65	72.90	−.55
82.20	72.70	Sep	72.75	72.90	72.15	72.15	−.60
79.50	72.65	Oct	72.40	72.45	72.40	72.27	−.43
83.00	73.50	Nov				72.45	−.60

Est Sales 3,805. Prev. Sales 3,674.
Prev. Day Open Int. 9,274 up 136

Season High	Season Low		Open	High	Low	Close	Chg.
HOGS (CME) 40,000 lbs - cents per lb.							
48.92	40.12	Dec	41.20	42.00	40.70	41.32	+.15
48.25	40.30	Feb	41.20	41.25	40.40	41.17	+.12
46.62	38.52	Apr	39.05	39.05	38.30	38.77	
50.60	42.72	Jun	44.30	44.30	43.65	44.02	−.18
48.20	44.00	Jul	44.60	44.60	44.20	44.37	−.13
46.85	42.85	Aug	43.40	43.65	43.35	43.32	−.18
47.00	40.05	Oct	40.70	40.85	40.60	40.65	−.05
43.22	41.10	Dec	43.00	43.10	42.80	42.85	−.15

Est. Sales 4,054. Prev. Sales 3,845.
Prev. Day Open Int. 18,641 up 115

Season High	Season Low		Open	High	Low	Close	Chg.
PORK BELLIES (CME) 40,000 lbs.- cents per lb.							
63.00	37.00	Feb	37.30	37.40	36.55	36.75	−.35
61.00	37.55	Mar	37.85	37.90	37.15	37.22	−.45
58.20	38.65	May	38.80	38.80	38.10	38.60	−.20
57.00	38.85	Jul	39.00	39.20	38.65	38.85	−.27
51.00	38.50	Aug	38.60	38.70	37.95	38.70	+.15

Est. Sales 3,147. Prev. Sales 2,649.
Prev. Day Open Int. 12,465 off 200

Food

Season High	Season Low		Open	High	Low	Close	Chg.
COFFEE C (NYCSCE) 37,500 lbs.- cents per lb.							
107.50	77.75	Mar	78.25	78.65	77.80	78.00	+.20
108.90	80.35	May	81.00	81.00	80.45	80.65	+.28
108.00	82.80	Jul	83.40	83.40	83.00	83.20	+.35
108.00	85.50	Sep	85.75	85.75	85.75	85.75	+.35
107.25	89.10	Dec	89.10	89.20	89.00	88.75	−.05
94.75	92.00	Mar	92.35	92.35	92.25	92.40	+.15
95.00	94.00	May	94.25	94.25	94.25	94.65	+.30

Est. Sales 3,384. Prev. Sales 4,692.
Prev. Day Open Int. 41,946 up 1,361

Season High	Season Low		Open	High	Low	Close	Chg.
SUGAR-WORLD 11 (NYCSCE) 112,000 lbs.- cents per lb.							
10.14	7.56	Mar	8.73	8.90	8.72	8.88	+.11
9.77	7.65	May	8.66	8.77	8.65	8.74	+.07
9.16	7.80	Jul	8.63	8.72	8.63	8.72	+.08
9.06	7.93	Oct	8.57	8.62	8.55	8.60	+.05
9.04	8.20	Mar	8.58	8.61	8.58	8.60	+.07
8.45	8.45	May				8.60	+.07

Est Sales 8,338. Prev Sales 6,552.
Prev. Day Open Int 92,713 up 51

Season High	Season Low		Open	High	Low	Close	Chg.
COCOA (NYCSCE) 10 metric tons- $ per ton							
1538	997	Mar	1322	1324	1292	1298	−14
1388	1026	May	1358	1361	1332	1334	−14
1410	1056	Jul	1390	1390	1365	1369	−10
1427	1080	Sep	1419	1420	1394	1401	−10
1460	1119	Dec	1452	1452	1452	1428	−10
1495	1272	Mar	1460	1460	1460	1462	−10
1518	1210	May				1484	−18
1485	1294	Jul				1506	−10
1536	1455	Sep				1527	−10

Est Sales 5,817. Prev Sales 3,722.
Prev Day Open Int 54,493 up 557

Season High	Season Low		Open	High	Low	Close	Chg.
ORANGE JUICE (NYCE) 15,000 lbs.- cents per lb.							
178.80	112.65	Jan	162.30	162.50	160.10	160.10	−1.50
178.40	113.60	Mar	164.20	164.50	162.00	162.00	−1.70
177.95	115.00	May	164.50	164.75	162.80	162.60	−1.60
175.50	115.25	Jul	163.75	163.75	163.00	162.50	−1.55
175.00	118.00	Sep				159.50	−1.55
165.50	118.00	Nov	150.40	150.40	150.40	150.00	−1.55
163.00	126.00	Jan				147.50	−1.45
		Mar				147.50	−1.45
		May				147.50	−1.45

Est. Sales. Prev. Sales 895.
Prev. Day Open Int. 9,268 up 10

Metals

Season High	Season Low		Open	High	Low	Close	Chg.
HI GRADE COPPER (COMEX) 25,000 lbs.- cents per lb.							
108.50	94.50	Dec	97.40	97.45	96.80	96.80	−.20
106.60	95.00	Jan	97.10	97.60	96.90	96.90	−.10
105.70	95.00	Feb	97.40	97.45	96.95	96.95	−.15
106.80	93.90	Mar	97.20	97.60	96.90	96.95	−.10
103.00	93.50	Apr	96.90	96.90	96.90	96.90	−.10
106.20	93.30	May	97.00	97.20	96.65	96.75	−.15
102.00	95.10	Jun	96.75	96.75	96.75	96.65	−.20
103.80	92.80	Jul	96.90	97.10	96.60	96.60	−.20
101.00	96.70	Aug	96.80	96.80	96.80	96.55	−.20
103.45	92.80	Sep	97.05	97.05	96.80	96.50	−.20
99.80	96.60	Oct	96.70	96.70	96.70	96.30	−.25
98.50	96.45	Nov	96.60	96.60	96.60	96.20	−.25
101.10	91.60	Dec	96.75	96.75	96.50	96.10	−.30
98.00	2.50	Jan				95.95	−.30
100.50	92.80	Mar				95.70	−.35
99.30	93.70	May				95.40	−.35
97.60	95.80	Jul				95.20	−.35
96.65	96.00	Sep				94.80	−.35

Est. Sales 4,500. Prev. Sales 7,454.
Prev. Day Open Int. 47,331 up 1,086

Season High	Season Low		Open	High	Low	Close	Chg.
SILVER (COMEX) 5,000 troy oz.- cents per troy oz.							
623.5	374.0	Dec	378.5	387.0	378.5	383.9	+1.2
596.0	381.5	Jan	386.0	386.0	386.0	384.5	+1.2
413.0	385.0	Feb				386.2	+1.4
613.0	382.0	Mar	383.0	392.0	381.0	387.8	+1.5
589.0	385.0	May	387.0	395.0	384.5	391.1	+1.2
557.0	390.0	Jul	390.0	399.5	388.5	394.2	+1.2
483.0	395.0	Sep				397.4	+.8
507.0	398.0	Dec	399.0	406.8	399.0	402.4	+.5
505.0	427.0	Jan				404.2	+.3
513.0	407.0	Mar				407.7	+.2
473.0	411.0	May				411.8	
470.5	415.0	Jul	419.0	419.0	412.5	415.6	−.2
450.0	418.0	Sep	419.5	419.5	419.5	420.0	−.4

Est. Sales 20,000. Prev. Sales 5,128.
Prev. Day Open Int. 97,347 up 581

Season High	Season Low		Open	High	Low	Close	Chg.
PLATINUM (NYME) 50 troy oz.- dollars per troy oz.							
355.00	343.00	Dec	339.90	339.00	338.50	338.10	−4.30
451.50	334.50	Jan	332.00	344.80	332.00	339.60	−4.30
438.50	339.50	Apr	339.80	347.50	337.50	343.30	−4.40
427.50	342.00	Jul	342.00	346.50	340.00	345.30	−4.40
404.00	354.00	Oct	350.00	358.00	349.00	361.10	−4.40
384.00	384.00	Jan	350.00	355.00	348.00	352.50	−4.40

Est. Sales. Prev. Sales 5,877.
Prev. Day Open Int. 15,334

Season High	Season Low		Open	High	Low	Close	Chg.
PALLADIUM (NYME) 100 troy oz.- dollars per oz							
114.50	78.00	Dec	80.80	80.00	79.00	79.35	−1.70
135.75	80.30	Mar	81.00	81.00	79.00	80.10	−2.00
101.75	82.50	Jun	81.80	82.00	80.00	80.85	−2.00
85.00	85.00	Sep	82.80	82.00	81.00	81.40	−2.75
90.20	87.25	Dec	84.50	84.50	83.00	82.65	−2.75

Est. Sales. Prev. Sales 187.
Prev. Day Open Int. 3,416 off 21

Season High	Season Low		Open	High	Low	Close	Chg.
GOLD (COMEX) 100 troy oz.- dollars per troy oz.							
483.00	346.00	Dec	355.00	358.80	354.80	358.60	+1.40
363.00	361.00	Jan				359.10	+1.36
456.50	349.80	Feb	357.80	361.50	356.80	360.30	+1.20
446.80	354.80	Apr	360.00	363.50	359.00	362.50	+1.10
467.00	355.00	Jun	362.50	365.30	361.50	364.60	+.90
426.50	359.60	Aug	364.30	367.30	364.30	366.90	+.80
410.80	364.20	Oct				369.00	+.70
406.80	366.00	Dec	368.60	368.60	368.60	371.20	+.50
404.20	370.00	Feb				373.60	+.30
410.00	375.00	Apr				375.80	+.10
411.80	376.40	Jun				378.20	−.10
395.50	374.50	Aug	380.50	380.50	380.50	380.80	−.30
395.00	383.40	Oct				383.50	−.40

Est. Sales. Prev. Sales 17,011.
Prev. Day Open Int.106,172 up 570

Financial

Season High	Season Low		Open	High	Low	Close	Chg.
US T. BILLS (IMM) $1 million- pts of 100 pct.							
96.10	93.42	Mar	96.09	96.35	96.08	96.32	+.24
96.03	93.15	Jun	96.00	96.15	96.00	96.27	+.25
95.92	93.87	Sep	95.88	96.12	95.88	96.01	+.18
95.43	93.98	Dec	95.63	95.64	95.63	95.61	+.19
95	95	Mar				95.40	+.17

Est. Sales. Prev. Sales 4,371.
Prev. Day Open Int. 48,253 off 873

Season High	Season Low		Open	High	Low	Close	Chg.
5 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct							
06.100	99.250	Mar	106.010	106.240	106.010	106.180	+.165
04.110	103.110	Jun	105.230	105.230	105.220	105.220	+.165

Est. Sales. Prev. Sales 94,979.
Prev. Day Open Int.

Season High	Season Low		Open	High	Low	Close	Chg.
10 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct							
105-15	95-8	Mar	104-26	105-21	104-23	105-18	+27
103-26	98-11	Jun	104	104-13	104	104-18	+24
102-28	100-21	Sep				103-20	+24

Est. Sales. Prev. Sales 24,326.
Prev. Day Open Int. 96,941 up 486

Season High	Season Low		Open	High	Low	Close	Chg.
US TREASURY BONDS (CBT) (8 pct-$100,000-pts & 32nds of 100 pct)							
101-29	85-14	Mar	102-2	102-27	101-29	102-23	+27
100-30	85-3	Jun	101-2	101-26	100-31	101-22	+25
99-31	87-14	Sep	100-12	100-20	100-12	100-22	+23
99-3	85-6	Dec	99-20	99-20	99-20	99-22	+22
98-9	90-16	Mar	98-23	98-23	98-23	98-30	+22
97-17	90-22	Jun	97-31	98-7	97-31	98-5	+20
94-29	90	Sep				97-13	+19
95-3	92-18	Dec				96-22	+18
94-21	90	Mar	95-30	96-1	95-30	96-1	+17
93-13	93-3	Jun				95-14	+16

Est. Sales. Prev. Sales 306,610.
Prev. Day Open Int.303,414

Season High	Season Low		Open	High	Low	Close	Chg.
MUNICIPAL BONDS (CBT) $1000x index-pts & 32nds of 100 pct							
95-21	88	Mar	95-24	96-15	95-18	96-13	+25
95-7	93-4	Jun	95-12	95-12	95-12	95-19	+12
		Sep	95-6	95-6	95-6	95-6	

Est. Sales. Prev. Sales 2,710.
Prev. Day Open Int. 20,749 up 424

Season High	Season Low		Open	High	Low	Close	Chg.
EURODOLLARS (IMM) $1 million-pts of 100 pct.							
95.66	90.09	Mar	95.62	96.01	95.61	95.89	+.27
95.55	90.35	Jun	95.49	95.95	95.48	95.75	+.27
95.24	90.32	Sep	95.27	95.63	95.27	95.49	+.23
94.81	90.25	Dec	94.77	95.18	94.77	94.99	+.23
94.30	90.28	Mar	94.52	94.90	94.52	94.72	+.21
94.15	90.27	Jun	94.12	94.40	94.11	94.28	+.18
93.75	90.27	Sep	93.73	93.97	93.73	93.87	+.15
93.25	90.22	Dec	93.25	93.54	93.25	93.36	+.12
93.18	90.24	Mar	93.17	93.35	93.17	93.28	+.12
92.94	90.40	Jun	92.93	93.12	92.93	93.04	+.12
92.72	90.36	Sep	92.70	92.89	92.70	92.81	+.12
92.39	90.71	Dec	92.35	92.54	92.35	92.46	+.12
92.40	90.75	Mar	92.35	92.54	92.35	92.45	+.11
92.26	90.71	Jun	92.21	92.40	92.21	92.31	+.11
92.12	91.31	Sep	92.07	92.26	92.07	92.17	+.11
91.87	91.82	Dec	91.87	91.91	91.87	91.98	+.11

Est. Sales. Prev. Sales 128,157.
Prev. Day Open Int.990,253 off 3,999

Season High	Season Low		Open	High	Low	Close	Chg.
BRITISH POUND (IMM) $ per pound- 1 point equals $0.0001							
1.8120	1.5670	Mar	1.8098	1.8380	1.8080	1.8298	+198
1.7850	1.6510	Jun	1.7910	1.8050	1.7910	1.8012	+178
1.7520	1.7250	Sep				1.7748	+160

Est. Sales. Prev. Sales 6,846.
Prev. Day Open Int. 22,257 up 51

Season High	Season Low		Open	High	Low	Close	Chg.
CANADIAN DOLLAR (IMM) $ per dlr- 1 point equals $0.0001							
.8856	.8268	Mar	.8574	.8621	.8573	.8593	+9
.8820	.8330	Jun	.8511	.8550	.8511	.8527	+4
.8774	.8420	Sep	.8468	.8468	.8468	.8470	+5
.8740	.8499	Dec				.8414	+3
.8712	.8430	Mar				.8361	+1

Est. Sales. Prev. Sales 8,368.
Prev. Day Open Int. 20,615 up 2,578

Season High	Season Low		Open	High	Low	Close	Chg.
GERMAN MARK (IMM) $ per mark- 1 point equals $0.0001							
.6350	.5353	Mar	.6351	.6458	.6350	.6441	+95
.6268	.5322	Jun	.6267	.6365	.6267	.6355	+89
.6137	.5685	Sep	.6280	.6280	.6280	.6277	+83
.6106	.5950	Dec				.6209	+77

Est. Sales. Prev. Sales 26,729.
Prev. Day Open Int. 71,736 up 17,058

Season High	Season Low		Open	High	Low	Close	Chg.
JAPANESE YEN (IMM) $ per yen- 1 point equals $0.000001							
.007888	.007000	Mar	.007765	.007820	.007758	.007816	+42
.007780	.007150	Jun	.007765	.007795	.007765	.007789	+37
.007745	.007280	Sep				.007772	+31
.007795	.007512	Dec				.007761	+26
		Mar				.007735	

Est. Sales. Prev. Sales 8,131.
Prev. Day Open Int. 45,388 up 325

Season High	Season Low		Open	High	Low	Close	Chg.
SWISS FRANC (IMM) $ per franc- 1 point equals $0.0001							
.7184	.6267	Mar	.7186	.7301	.7186	.7268	+87
.7120	.6546	Jun	.7170	.7180	.7170	.7200	+80
.6890	.6890	Sep				.7140	+75

Est. Sales. Prev. Sales 16,367.
Prev. Day Open Int. 28,079 up 1,852

Industrials

Season High	Season Low		Open	High	Low	Close	Chg.
COTTON 2 (NYCE) 50,000 lbs.- cents per lb.							
77.15	58.35	Mar	59.30	59.70	58.89	59.09	−.33
72.25	59.51	May	60.80	61.35	60.45	60.63	−.20
77.70	60.35	Jul	62.05	62.30	61.65	61.80	−.22
78.60	62.30	Oct	64.15	64.15	63.95	63.95	−.07
69.00	62.35	Dec	64.30	64.35	64.10	64.15	−.22
67.30	64.25	Mar				65.37	−.19
66.25	66.25	May				65.97	−.15

Est. Sales 5,000. Prev. Sales 4,838.
Prev. Day Open Int. 35,791 off 156

Season High	Season Low		Open	High	Low	Close	Chg.
HEATING OIL (NYME) 42,000 gal- cents per gal							
72.50	53.30	Jan	53.00	53.40	51.00	51.10	−2.36
70.70	52.25	Feb	54.10	54.50	52.40	52.90	−1.76
67.00	51.40	Mar	53.90	54.40	52.85	53.40	−1.09
63.65	50.80	Apr	53.10	53.10	52.20	52.70	−.55
61.40	48.25	May	51.80	51.80	51.25	51.75	−.06
60.20	48.00	Jun	51.15	51.30	50.90	51.00	−.16
59.65	51.30	Jul	51.50	51.50	51.00	51.10	+.04
59.75	52.10	Aug	51.75	52.50	51.75	52.50	+.69
60.90	53.30	Sep	53.25	53.25	53.10	53.10	+.09
61.70	54.25	Oct	54.50	54.50	54.10	54.10	+.14
62.60	55.30	Nov	55.50	55.50	55.50	55.50	+.59
63.50	56.40	Dec	56.50	56.50	56.50	56.50	+.64
63.75	56.40	Jan				56.50	+.44
57.30	57.30	Feb	55.75	55.75	55.75	55.75	+.69

Est. Sales. Prev. Sales 40,054.
Prev. Day Open Int.117,280 off 939

Season High	Season Low		Open	High	Low	Close	Chg.
CRUDE OIL (NYME) 1,000 bbl.- dollars per bbl.							
27.00	17.50	Feb	19.15	19.15	18.50	18.52	−.60
26.75	17.25	Mar	19.12	19.13	18.54	18.59	−.54
26.50	17.50	Apr	19.11	19.15	18.60	18.62	−.53
24.60	17.30	May	19.10	19.12	18.68	18.70	−.46
24.50	17.70	Jun	19.06	19.13	18.73	18.73	−.44
22.11	17.90	Jul	19.00	19.00	18.86	18.88	−.39
21.80	17.75	Aug	19.10	19.10	18.94	18.95	−.29
24.00	17.78	Sep	19.07	19.05	18.95	18.95	−.23
21.56	18.85	Oct	19.20	19.20	19.00	19.00	−.24
21.48	19.25	Nov	19.20	19.20	19.08	19.08	−.22
24.00	18.25	Dec	19.20	19.20	19.00	19.00	−.17
21.26	18.51	Mar	19.28	19.28	19.23	19.29	−.28
21.14	19.52	Apr	19.29	19.29	19.29	19.29	+.01
21.10	19.57	May	19.20	19.20	19.20	19.20	
21.35	19.30	Jun	19.35	19.35	19.35	19.35	−.12
21.13	20.20	Sep	19.40	19.40	19.40	19.40	−.01
20.65	19.65	Dec	19.55	19.55	19.51	19.51	+.03

Est. Sales. Prev. Sales 102,547.
Prev. Day Open Int.268,355 off 16,481

Season High	Season Low		Open	High	Low	Close	Chg.
UNLEADED GASOLINE (NYME) 42,000 gal- cents per gal							
65.15	47.00	Jan	53.70	53.70	52.00	52.10	−1.47
64.90	50.70	Feb	53.50	53.80	52.30	52.45	−1.35
65.65	50.50	Mar	54.80	54.80	53.80	54.00	−1.00
69.60	57.30	Apr	59.25	59.35	58.50	58.58	−1.00
69.00	57.38	May	59.90	59.90	59.25	59.55	−.55
67.70	58.00	Jun	59.40	59.48	58.90	59.30	−.30
66.30	58.45	Jul	58.30	58.50	57.85	58.25	−.25
64.85	57.50	Aug	57.20	57.25	56.90	56.95	−.30

Est. Sales. Prev. Sales 25,549.
Prev. Day Open Int.129,498 up 7,599

Stock Indexes

Season High	Season Low		Open	High	Low	Close	Chg.
SP COMP. INDEX (CME) points and cents							
401.50	321.75	Dec				389.11	+6.21
403.20	372.90	Mar	387.50	389.30	385.80	388.35	+3.75
401.80	374.50	Jun	389.10	389.90	387.00	389.35	+3.45
398.70	379.00	Sep				390.80	+3.50

Est. Sales. Prev. Sales 74,894.
Prev. Day Open Int.173,127 up 2,154

Season High	Season Low		Open	High	Low	Close	Chg.
NYSE COMP. INDEX (NYFE) points and cents							
221.20	205.70	Mar	213.70	214.50	212.50	213.65	+1.90
220.10	206.50	Jun	213.90	213.90	213.25	214.15	+1.85
221.00	212.55	Sep	213.50	213.50	213.50	214.65	+1.80

Est. Sales. Prev. Sales 6,166.
Prev. Day Open Int.

Commodity Indexes

	Close	Previous
Moody's	977.20	974.10
Reuters	1,597.00	1,599.50
D.J. Futures	119.28	119.19
Com. Research	208.58	208.99

Market Guide

CBT:	Chicago Board of Trade
CME:	Chicago Mercantile Exchange
IMM:	International Monetary Market Of Chicago Mercantile Exchange
NYCSCE:	New York Cocoa, Sugar, Coffee Exchange
NYCE:	New York Cotton Exchange
COMEX:	Commodity Exchange, New York
NYME:	New York Mercantile Exchange
KCBT:	Kansas City Board of Trade
NYFE:	New York Futures Exchange

Krupp Raises Stake In Hoesch Above 50%

Compiled by Our Staff From Dispatches

BONN — Fried. Krupp GmbH said on Friday that it had acquired a majority stake in Hoesch AG, coming one step closer to merging the two concerns to create Germany's 11th-largest industrial group.

Krupp said it had raised its stake in Hoesch to about 51 percent from 24.9 percent and planned to fuse the two companies in mid-1992. "Krupp is making efforts to continue talks with Hoesch on a partnership basis to work out jointly a plan for the merger," it added.

A united Krupp-Hoesch, with annual revenue of 28 billion Deutsche marks ($17.8 billion), would be a new force on world steel markets, ranking second in Germany behind Thyssen AG.

Hoesch said that Krupp had informed it about the majority stake on Thursday and that its management board would continue merger talks "within its responsibilities according to corporation law."

Although Hoesch has not formally opposed the takeover bid, its supervisory board has voiced displeasure about Krupp's approach, which flies in the face of standard procedures in corporate Germany.

"Whether the merger comes through smoothly or not now depends on whether Krupp can convince workers the merger will better secure those jobs that will remain," said Hans-Jochen Pilz, chief analyst at M.M. Warburg Brinckmann in Hamburg.

Industry and banking sources have said Hoesch has little chance of mounting a defense against Krupp's advances if Krupp proved to control majority shares.

Following Krupp's announcement, shares in Hoesch slipped 10.50 marks to close at 254 marks on a generally weak bourse in Frankfurt.

Krupp revealed in October that it had built up a 24.9 percent stake in Hoesch and intended to raise that to a majority holding.

Last month, Hoesch agreed to examine a possible merger after Krupp had demonstrated that a majority of Hoesch shareholders supported its plan to swallow the troubled competitor.

Krupp's merger plan has enraged workers of both companies. They fear that tens of thousands could lose their jobs.

(Reuters, AFP)

Rate Move: Mixed Blessing for Germany

By Richard E. Smith
International Herald Tribune

FRANKFURT — The Bundesbank's decision this week to raise rates to record levels is certain to cool inflation. But not soon, and at the price of pushing the laggard German economy dangerously close to recession, analysts said.

"This is poison for the economy," said Wolfgang Roth, economics specialist of the opposition Social Democratic Party.

Most economists maintain that inflation, now at 4.2 percent, is not likely to peak until this spring, in spite of the Bundesbank's strong medicine. This makes it probable that leading German rates will be kept at or near current record levels for another half year.

Economists said the Bundesbank's aggressive rate hike could have only a limited immediate effect in taming inflation, largely because high wage settlements reached last year will be working their way into the price structure along with various tax measures.

Although the Bundesbank has made clear that it is willing to pay the short-term price for longer-term stability, the prospect of high rates for another half year makes many German observers nervous. The economy in Western Germany is already nearly at a standstill, and Eastern Germany is getting off to only a fragile recovery.

Helmut Geiger, president of the Association of Savings Banks, said the high rates "won't make things any easier."

"Things don't look so rosy until at least the second half of next year," said Helmut Kaiser, economist with Deutsche Bank. "What we have now is basically a kind of stagflation."

Although the Bundesbank confidently said in its monthly report earlier this week that the economy was not in danger of recession, economists generally expected even before this week's rate increases that growth would be halting throughout the first half of 1992.

MUSCLE: *Europeans Caught in the Middle of U.S.-German Tug-of-War*

(Continued from page 1)

of its system. While most analysts think the German economy is fundamentally sound and will rebound after next year, growth is now grinding to a halt.

"Germany is no more impervious to a recession induced by high interest rates than any other country," said Richard O'Brien, the chief economist at American Express Bank in London. "The only question is, When does the German economy react to this sustained assault from the Bundesbank by hitting the wall?"

But 1992, at least in the early going, could be even worse for Germany's economic partners.

"This is only going to magnify the deflationary tendencies in Europe at a time when non-German Europe is already hurting," said Robert Johnson, a vice president for foreign-exchange funds management at Bankers Trust in New York.

France, despite growing unemployment, will probably raise interest rates on Monday, analysts said.

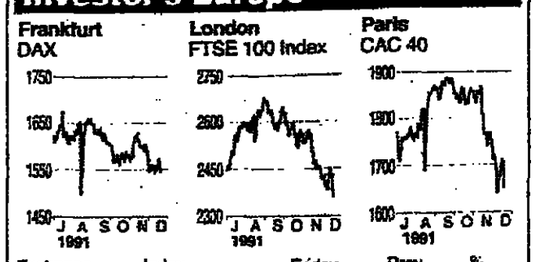
"We can't escape a French rate rise now," Eric Brard, a Banque Indosuez fund manager, told Reuters.

Finance Minister Pierre Bérégovoy pledged to defend the franc at all costs after the Bundesbank's move. "What is certain is that currency stability remains a critical objective, and I intend to maintain it," he said on French radio.

For now, the disjunction between German and U.S. rates is bolstering the Deutsche mark at the expense of the dollar. But some analysts predict that the situation could turn around by mid-1992 as the U.S. economy starts to recover while Germany might be in a situation to bring rates down if inflation has clearly peaked.

"We may be getting close to the point where the paths of Germany and the United States cross," Mr. O'Brien said. "You could see a big swing around in currencies later next year."

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	CBS Trend	86.60	87.20	-0.69
Brussels	Stock Index	5,374.56	5,385.56	-0.20
Frankfurt	DAX	1,543.19	1,561.77	-1.19
Frankfurt	FAZ	629.37	636.11	-1.06
Helsinki	HEX	774.20	768.50	+0.74
London	Financial Times 30	1,791.90	1,814.70	-1.26
London	FTSE 100	2,358.18	2,391.60	-1.40
Madrid	General Index	230.86	231.47	-0.26
Milan	MIB	949.09	957.00	-0.84
Paris	CAC 40	1,648.50	1,684.19	-2.12
Stockholm	Affarsvarlden	809.79	818.20	-1.03
Vienna	Stock Index	422.40	425.68	-0.77
Zurich	SBS	575.40	577.90	-0.43

Sources: Reuters, AFP International Herald Tribune

Very briefly:

• PowerGen PLC and National Power PLC, two of Britain's major electricity generators, were accused of inflating bulk electricity prices by the industry's regulator.

• Sun Alliance Group PLC said that home repossessions would cost it £320 million ($587 million) this year, the biggest charge yet among leading insurers in Britain's housing slump.

• Roland (Tiny) Rowland, who in August temporarily assumed chairmanship of Lonrho PLC, announced he was stepping down in favor of René Leclezio but would remain chief executive and managing director.

• Assurances Générales de France raised its stake in Aachener & Münchener Versicherung AG to 20 percent from 16.6 percent; the shares were bought on the market.

• Siemens AG of Germany has been chosen as majority partner for Skoda Pilsen of Czechoslovakia in manufacturing electric locomotives.

• Sextant Avionique, a French avionics company formed in 1989 by Aerospatiale and Thomson-CSF, will cut about 1,150 jobs from its work force of 6,570 to improve competitiveness.

• General Motors Corp. and FSO, Poland's biggest carmaker, failed to clinch a deal on a joint venture but agreed to continue talks in January.

• Britain's gross domestic product grew by 0.2 percent in the third quarter, rebounding fro - a 0.5 percent decline in the second quarter, helped by a jump in imports, the government said.

Reuters, NYT, AFP, AFX

MAXWELL: *Publisher Grew More Isolated as His Empire Crumbled*

(Continued from first finance page)

executives reveal, Mr. Maxwell's isolation grew palpably in the last 18 months of his life.

The reasons are now clear. Burdened by more than $2.3 billion of debt incurred by Maxwell Communication in its overpriced 1988 acquisition of Macmillan Inc., and by huge private debts that he never fully acknowledged, Mr. Maxwell had begun a frenetic juggling of his public and private assets.

Ultimately, his empire collapsed earlier this month beneath $4.4 billion of debt.

Because his web of private companies was a largely secret world — "with the family's Chinese walls, we knew nothing of the private side," said Reg Mogg, a former finance director of Maxwell Communication — the maneuvers necessarily excluded directors of the public companies.

From mid-1990, Maxwell Communication shares were being pledged as collateral for bank loans in a process that would leave 512 million shares, or 78 percent of the company, in banks' hands by the time of Mr. Maxwell's death at sea last month. Officially, the Maxwell family owned 68 percent.

In an apparent bid to bolster the value of that collateral, Mr. Maxwell devised costly deals in which other parties would buy his stock in return for payments.

One such deal was arranged with Goldman, Sachs on Aug. 14, 1990. Starting in April 1991, spending on price support for Maxwell Communication shares increased sharply, said John Talbot, the Arthur Andersen & Co. accountant now in charge of the Maxwell private holdings.

Orders for the shares in April and July exceeded $236 million, "but the largest ones were in April," Mr. Talbot said in an interview. The orders came from offshore investment trusts, but were ultimately paid for by one of Maxwell's private companies, usually Bishopsgate Investment Trust. The scheme is now under formal investigation by the Serious Fraud Office of Britain.

Maxwell Communication's share price shot up to 239 pence in April, a 40 percent rise from February. An important aim, investigators now believe, was to make the company look solid as Mr. Maxwell prepared to offer the public 49 percent of the stock in his Mirror Group Newspapers PLC. But it was also essential to keep the banks at bay; they held an increasing amount of Maxwell Communication stock.

The Mirror Group stock offering on May 9 raised $455 million. But it also complicated Mr. Maxwell's life.

Mr. Maxwell's ownership of the Mirror Group had been reassuring to the banks that had made loans of more than $1.7 billion to Maxwell private companies. It was the one sure cash cow in a largely impenetrable web of private holdings that included the unprofitable AGB market-research company, British soccer clubs, the Daily News in New York and newspapers from Nairobi to Budapest. With 49 percent of the Mirror Group gone, "we felt nervous and began to press for more collateral," one banker said.

The nervousness was justified. Most of the other private holdings were money losers. By November, National Westminster Bank alone held no less than 32 percent of Mirror Group as collateral against loans of $282 million to the private companies.

But these Mirror Group shares had to be propped up, too. As the share-support operation continued, Mr. Maxwell apparently turned to gambling on the foreign exchange markets, and more than $1.4 billion was funneled from the treasuries and pension funds of Maxwell public companies into his private companies.

That money also helped pay for other unprofitable private ventures, including the Daily News in New York and the European, a newspaper that was losing over $600,000 a week.

If these projects did nothing for the bottom line, they did a lot to satisfy Mr. Maxwell's hubris as he came to see himself as a visionary of European integration and a global monarch of the information age.

"The story of Maxwell in his later years is one of his using shareholders as cannon fodder in a vast and pompous empire-building mission," said Derek Terrington, an analyst at Kleinwort Benson, an investment firm, who has been urging investors to dump Maxwell stock since August 1988.

Mr. Terrington, who was often insulted and threatened by Mr. Maxwell, added: "The banks that funded it all must take a huge whack of blame. Their gullibility continues to amaze me."

At the end, in the days before Mr. Maxwell's death, at least four banks and investment firms — Swiss Bank Corp., Citibank, Goldman, Sachs & Co. and Shearson Lehman Brothers — had awakened to the dangers.

Alone on his yacht, the Lady Ghislaine, Mr. Maxwell knew that they were circling him with repeated demands for immediate repayment. Indeed, the Swiss Bank had been promised a payment of $100 million on the day he died. But by the time the banks closed in, it was too late.

Yet the warning signs were there far earlier. Almost exactly 20 years earlier, London's City establishment had pronounced what amounted to its death sentence on Mr. Maxwell's business career, which had been largely dedicated to the building of Pergamon Press, a scientific journal and reference-book publisher.

When Leasco, an American company owned by the financier Saul Steinberg, agreed to acquire Pergamon in June 1969, a bitter controversy ensued. Mr. Steinberg felt that he was misled about the true value of Pergamon.

A report on Pergamon commissioned by the City's corporate watchdog committee was published on June 2, 1971, and found that Mr. Maxwell's reports to shareholders betrayed "a reckless and unjustified optimism," that sometimes led him "to state what he must have known to be untrue." Mr. Maxwell was, in short, found to be "not in our opinion a person who can be relied on to exercise proper stewardship of a publicly quoted company."

Ousted from Pergamon, which he had founded in 1951, Mr. Maxwell seemed finished.

At the age of 48, Robert Maxwell — the former Jan Ludwik Hoch, Leslie du Maurier and Leslie Jones — a man who had been hounded from his Czech homeland by the Nazis, had his parents killed in Nazi death camps and fought with great bravery in World War II, found himself a pariah in his adopted land.

"What has happened now amounts to a repeat performance," said Owen Stable, a judge who was a co-author of the 1971 report into Mr. Maxwell. "I thought back then that he was one of the biggest crooks I'd ever met. He was incapable of distinguishing between other people's money and his own."

In particular, the report criticized Mr. Maxwell's inflation of the sales of a Pergamon encyclopedia unit, International Learning Systems Corp., by methods including the "sale" of 5,000 Caxton encyclopedias to an American subsidiary called Pergamon Press Inc.

Overall, the report found that "a large number of private companies including foreign companies exist in which Maxwell or his family have an interest." But like many bankers, brokers and other inquirers during the 1980s, they were ultimately frustrated in their bid to reach an overall understanding of the maze of hundreds of interlocking companies with maddeningly similar names.

Mr. Maxwell claimed that his ultimate holding companies, two Liechtenstein organizations called the Maxwell Foundation and Swico Anstalt, were charitable and that no members of his family were beneficiaries.

An extraordinary debt-backed spending spree began, culminating with the $3.3 billion purchase of Macmillan and the Official Airline Guides in 1988. A year before that — at the time British Printing changed its name to Maxwell Communication and took as a logo an "M" smothering the globe — Mr. Maxwell made another huge bid, for Harcourt Brace Jovanovich, another American publisher. Harcourt fended him off, but incurred ruinous debts in doing so.

Mr. Maxwell also picked up newspapers, news agencies, computer and pharmaceutical companies, and television stations in France and Israel. And he bought heavily in Eastern Europe, where his activity revived talk — never proved — that he had a sideline in spying.

Despite his bulldozing tactics, Mr. Maxwell was well short of his goal of annual sales of £3 billion ($5.46 billion). Sales of Maxwell Communication for the 1990-91 financial year totaled £996.9 million.

But he had fulfilled part of his vow. The solidly profitable if dull printing operations had almost all been sold. Even Pergamon, his core company, had gone, sold to Elsevier NV of the Netherlands for £446 million. In effect, the company's dull but lucrative ballast had been divested, replaced by a host of much flashier, but generally more fragile, media properties.

Yet the banks went along, seeming confident that profits would eventually flow. "His past failings were duly noted, but we felt his record at British Printing and the Mirror merited our confidence," said Richard Whitehead, an official at Lloyds Bank.

The marketplace, however, was much less sanguine. As the confidence of the 1980s evaporated, Mr. Maxwell's acquisitions began to look grossly overpriced, and his debt load ominous.

"When most of my colleagues looked at Maxwell Communication this year, we felt that the profits were overstated, the debt burden was quite likely to lead to downfall, and we'd become increasingly concerned by the way in which it seemed the share price was rigged," said John Kenny, an analyst at Barclays de Zoete Wedd.

In March this year, Mr. Maxwell complicated things further, buying the Daily News.

He paid a price for such whims. Peter Walker, a Conservative politician who had agreed to become chairman of Maxwell Communication, decided on July 15 not to take the job after concluding that the structure of the company made no sense. Other executives who departed this year included the former deputy managing director, Richard Baker, who had been with Mr. Maxwell 23 years, and Harry A. McQuillen, the former president of MacMillan.

By May, after the Mirror Group stock offering, the share prices of Maxwell Communication and Mirror Group started to fall. Mr. Maxwell's fatal flaw, underlined in the 1971 report, became evident once again. "When he was under pressure," said Richard Davey, a senior officer at N.M. Rothschild, "he ceased to make any distinction between his public and private companies. It was all one big pot in which he freely dipped."

In the spring, said Roger White, a spokesman for the accountant Coopers & Lybrand, shares of Berlitz Inc. owned by the public Maxwell Communication were passed to Bishopsgate Investment Trust, a private Maxwell company, where they could be used to provide more collateral to banks. Later, they were pledged to Shearson Lehman and Swiss Volksbank.

In July and August, the plundering of public company assets really began in earnest, Coopers said. During those two months alone, about $540 million in stocks and other assets were taken from Bishopsgate Investment Management, the company managing Maxwell pension funds, and transferred to a distinct private company with the confusingly similar name of London & Bishopsgate International Investments. The assets were then liquidated.

But Mr. Maxwell had little room left to maneuver. The crucial share prices of his public companies continued to slide, as creditors sold their collateral; Maxwell Communication's first-half results were due in November, and in December Coopers & Lybrand's audit of the Mirror Group would begin.

"When he went to his boat on Oct. 31, he had to know that the game was practically up," Mr. Davey said.

MCC Isn't Allowed To Pick Administrator

Compiled by Our Staff From Dispatches

LONDON — Britain's High Court ruled against the board of Maxwell Communication Corp. on Friday in appointing an administrator to run the company.

The court gave the job to the accounting firm Price Waterhouse, a choice backed by creditors who lent £800 million ($1.46 billion) to Maxwell Communication before Robert Maxwell's death. The creditors now want the money back.

The directors of Maxwell Communication had wanted Touche Ross, another accountant, as the administrator. The banks argued that by allowing Maxwell its choice of administrators the court would allow its directors to retain too much control over the future of the troubled company, which has already been granted bankruptcy protection from creditors in the United States.

(Reuters, UPI)

Norway Cuts Bank Shares to Zero

Reuters

OSLO — Shareholders in two of Norway's biggest banks saw their investments turn to dust on Friday as the government, using new powers, officially declared their shares valueless.

Shares in the country's second-largest bank, Christiania Bank og Kreditkasse, last traded at 7 kroner ($1.13) when the bank declared itself bankrupt on Oct. 14. Those in Norway's third-largest bank, Fokus Bank, were quoted at 3.5 kroner before delisting last month.

ITALY: *Economy Again Troubled*

(Continued from first finance page)

example. "But that was exactly the time when they should have been concentrating on their main lines of business," he said.

The companies are now getting back to business, with Fiat selling nonessential sectors, such as communications, and the chairman of Olivetti SpA, Carlo De Benedetti, vowing to devote more time to his key company after concentrating on finance. "I think it will be two or three years before Italy's industry can get back on its feet," said Luigi Forlai, professor of management at STOA, a business school in Naples affiliated with Massachusetts Institute of Technology.

For the economy as a whole and the problem of debt, a solution may be even more elusive. The current Christian Democrat-led coalition has proposed privatizing some state-owned industry to raise funds to pay off the debt, but the plan was seen by many as a half-hearted attempt by politicians loath to part with the traditional patronage jobs that state companies provide. The bill ultimately bogged down in parliament.

Many are waiting for national elections in March to provide Italy with a new coalition make the situation clearer. They will be the first in which the Communist Party, once the largest in the West, is no longer a threat. In fact, the newly christened Democratic Left Party is considered a centrist force that could even take part in the government, perhaps ousting the Christian Democrats for the first time in 50 years. But whatever the outcome, observers agreed that a change is needed.

With the current five-party coalition, "We are in a situation of continuous mediation," said Mr. Prodi. "But with such great problems, we can't afford to be."

Denmark VAT Now Europe's Highest

The Associated Press

COPENHAGEN — The government said Friday that it would raise the value-added tax on goods and services to 25 percent on Jan. 1, giving Denmark the highest sales tax in Europe.

Sweden, which has the highest VAT tax, also 25 percent, is lowering it to 18 percent on Jan. 1.

Denmark raised the VAT from 22 percent to compensate for loss of revenue following the abolition of a 3 percent labor market contribution tax, which was levied on employers.

The government said it would launch an information campaign to persuade wholesalers and retailers to absorb the higher tax themselves and not pass it on to consumers as higher prices.

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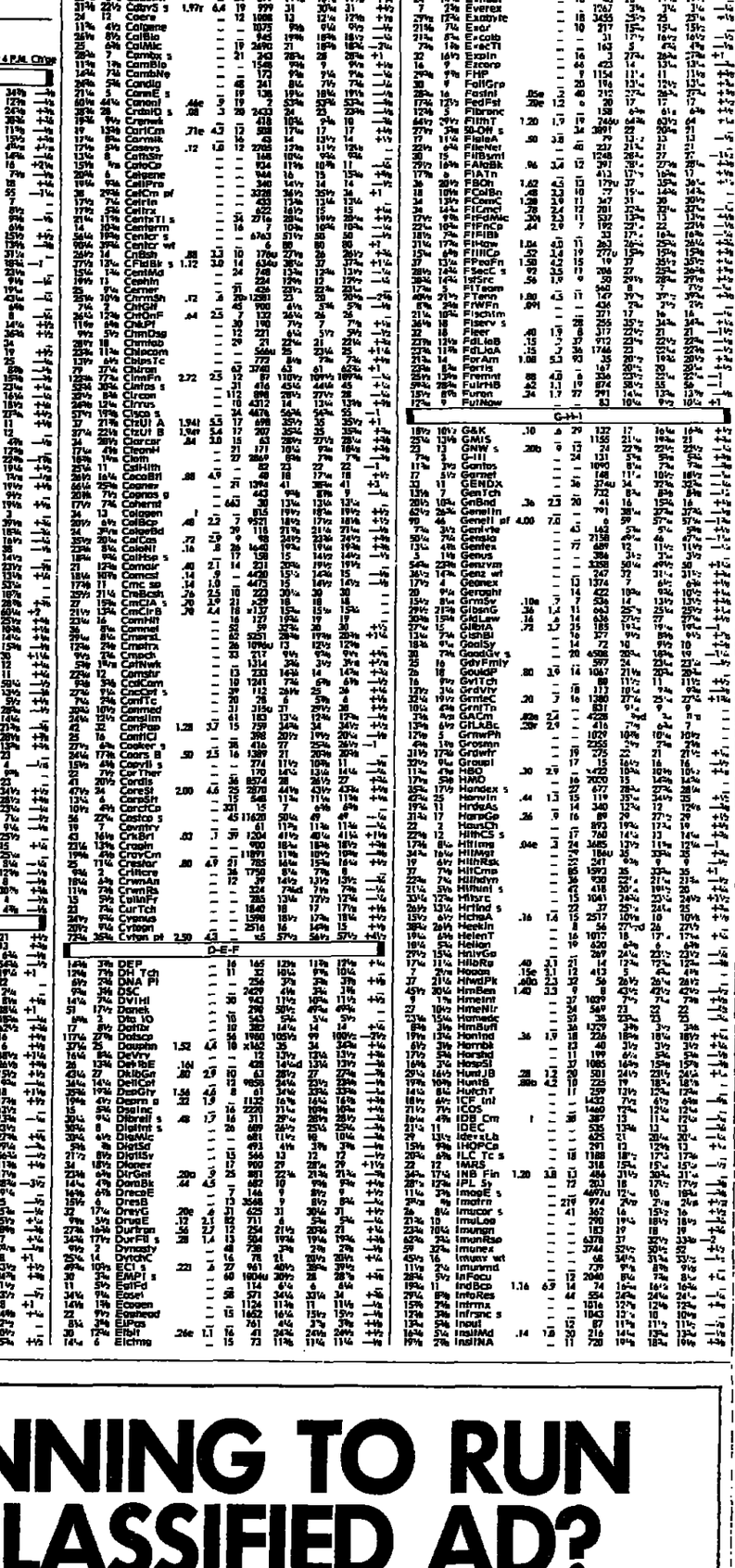

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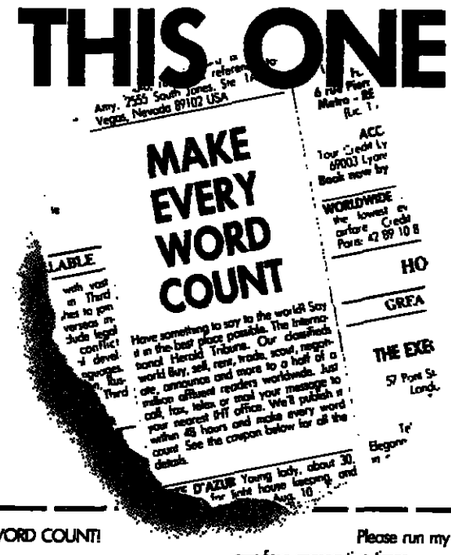

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China to Cut Subsidies to Fight Deficit

Compiled by Our Staff From Dispatches

BEIJING — The Chinese government plans to cut its bloated bureaucracy and billions of dollars in business subsidies next year to combat a growing budget deficit, the China Daily reported Friday.

The cost-cutting measures were announced by Finance Minister Wang Bingqian at a recent national conference, the paper said.

It said this year's deficit will be larger than the planned 13.3 billion yuan ($2.5 billion), but did not say by how much.

Mr. Wang has warned an out-of-control budget deficit would force the state to attack subsidies, slash the bureaucracy and close tax loopholes.

The proposals would touch most of China's 1.1 billion people, those who rely on food subsidies or work for debt-ridden, unprofitable state companies that depend on handouts.

Western diplomats said Mr. Wang said as early as last March that fiscal irresponsibility threatened political stability, but those warnings had little effect.

Food and business subsidies had to be cut next year, the China Daily quoted Mr. Wang as saying. He called for cuts in government bureaucracy and the closing of tax loopholes, the newspaper said. It gave no details.

The newspaper gave no figure for Mr. Wang's current estimate of the 1991 deficit. Other officials have said it could be up to eight billion yuan over target.

Meanwhile, China's industrial production growth rate fell below 10 percent in November for the first time this year, while inflation was 1.8 percent last month, official figures show.

The State Bureau of Statistics, quoted by press reports, said industrial production rose 9.6 percent in the year to November.

The average growth rate was 13.9 percent during the first 10 months of the year, but this slipped to 13.5 percent during the first 11 months, still more than double the official target.

The slowdown in November was largely due to the growth rate of light industries falling to 7.2 percent.

(Reuters, AP, AFP)

Seoul, Beijing Initial Trade Accord

Agence France-Presse

SEOUL — South Korea and China initialed a trade accord Friday to grant each other most-favored-nation trading status, officials said.

The initialing was conducted between the state-run Korea Trade Promotion Corp. and China Chamber of International Commerce since the two countries do not have formal diplomatic relations, a Foreign Ministry statement said.

The Seoul and Beijing governments are expected to exchange memoranda guaranteeing the agreement when it is formally signed next month, officials said.

Compass Airlines Fails As Creditors Close In

Compiled by Our Staff From Dispatches

SYDNEY — Compass Airlines collapsed on Friday, stranding hundreds of Christmas holiday passengers as the year-old carrier was unable to hold its creditors at bay while it arranged a financial rescue.

Compass was seeking capital from Air New Zealand to stave off bankruptcy when its creditors, including the Civil Aviation Authority of Australia and the owners of its five leased Airbus jets, took action on overdue debts.

Angry passengers rushed airport ticket counters demanding refunds from tearful Compass staffers. One Compass crew tried unsuccessfully to take off before the deadline, passengers said. About 1,000 Compass employees will lose their jobs.

The airline began flying Dec. 1, 1990, two months after Australia deregulated airline travel. Since then, Compass has waged fierce fare wars with its two domestic rivals, Ansett and the government-owned Australian Airlines, slashing prices by up to 80 percent.

Chief Executive Bryan Grey said Compass was forced to cease operations when its aircraft lessors repossessed its five aircraft.

Mr. Grey said the Civil Aviation Authority had refused to grant it a four-day moratorium on air navigation charges. It had placed liens on the company's planes as security against nonpayment, preventing them from leaving Australia.

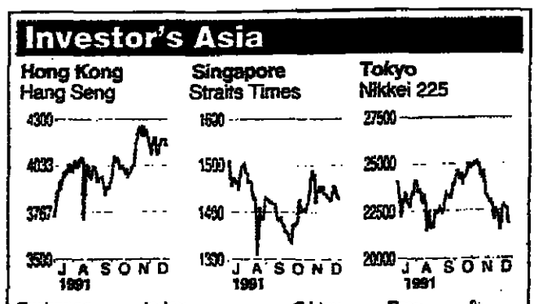
Compass leased five Airbus aircraft, two from Polaris Holding Co., two from Monarch Airlines of Britain, and one from Canadian Airlines International Ltd.

"The action was ultimately decided when negotiations between Compass, its aircrafts' lessors and potential investors broke down this evening," Mr. Grey said.

Mr. Grey said the government had asked Australian Airlines, Ansett and Qantas Airways to help passengers holding Compass tickets.

(Reuters, AP)

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	4,142.61	4,182.81	-0.96
Singapore	Straits Times	1,426.83	1,431.84	-0.34
Sydney	All Ordinaries	1,573.50	1,581.40	-0.50
Tokyo	Nikkei 225	21,777.12	21,991.19	-0.97
Kuala Lumpur	Composite	540.64	541 13	-0.09
Bangkok	SET	N.A.	N.A.	-
Seoul	Composite Stock	612.25	607.39	+0.80
Taipei	Weighted Price	4,448.04	4,466.57	-0.41
Manila	Composite	1,119.73	1,114.43	+0.48
Jakarta	Stock Index	247.91	248.76	-0.34
New Zealand	NZSE-40	1,440.77	1,437.41	+0.23
Bombay	National Index	878.66	875.97	+0.31

Sources: Reuters, AFP — International Herald Tribune

Easier Lending Rules to Spur Japan's Economy

Compiled by Our Staff From Dispatches

TOKYO — The Japanese government on Friday relaxed limits on real estate lending in a move that will stimulate the slowing economy.

The cabinet decided to soften the lending restrictions effective Dec. 31 after reviewing a special report by the National Land Agency that showed prices heading down.

Ever-rising real estate prices during the 1980s gave Japanese companies collateral to move ahead with the ambitious investments that helped fuel Japan's economic juggernaut. But after speculators pushed land prices sky-high, triggering public criticism, the government ordered banks in April 1990 to curb lending for real estate investment.

The existing restrictions are based on a Finance Ministry directive stipulating that growth in outstanding lending to real-estate firms should not exceed the rise in overall loans outstanding.

This will be replaced by a two-phase trigger system. Under it, the ministry will first alert lending banks if the annual growth in property loans exceeds the annual rise in overall lending by 3 percentage points for two consecutive months. Then, the Finance Ministry will reactivate limits on bank lending if the growth in property loans continues to surpass growth in overall loans by 5 percentage points, on an annualized basis, for two more months.

Property analysts said the end of the cap on bank lending would actually bring official land prices down to levels more in line with real prices. List prices have not reflected true market value because of the limited number of transactions.

The finance minister, Tsutomu Hata, said the Land Agency report indicated pressure for a 20 percent to 30 percent fall in land prices.

The report compares land prices on Dec. 1 with those on July 1.

(AP, Reuters)

Mitsubishi's California Nightmare

Reuters

TOKYO — Mitsubishi Bank Ltd. said Friday that group net earnings for the six months to Sept. 30 fell 38 percent largely because of huge loan-loss reserves set aside by its U.S. subsidiary, Bank of California.

Mitsubishi said the group had set aside 25.3 billion yen ($197 million) for possible loan losses in the first half of 1991-92. A Mitsubishi Bank executive said the aim was to cope with possible losses on property loans made by Bank of California due to the depressed market there.

Mitsubishi's group net profit fell to 35.83 billion yen in the first half of 1991-92.

Toys 'R' Us Is in Japan

Reuters

AMI, Japan — Toys 'R' Us Inc. opened its first outlet in Japan on Friday amid comparisons to the U.S. Navy ships that forced the country to open after centuries of isolation.

"We are assuming new roles in Japan's distribution system," said Larry Bouts, the president of Toys 'R' Us Japan Inc., in Ami, north of Toyko. McDonald's Japan Ltd. owns 20 percent of Toys 'R' Us Japan.

Takashi Uchino, the president of Uchino Inc., a major toy wholesaler, said, "This is a second black ship. We must protect our distribution and price systems." He was referring to Commodore Matthew Perry's warships that sailed to Edo, now Tokyo, in 1854, and forced an end to nearly three centuries of Japan's self-imposed isolation.

Mr. Bouts said Toys 'R' Us bypassed wholesalers and established relations with 50 Japanese manufacturers, a feat previously considered impossible given the conservative nature of Japanese toy makers.

Very briefly:

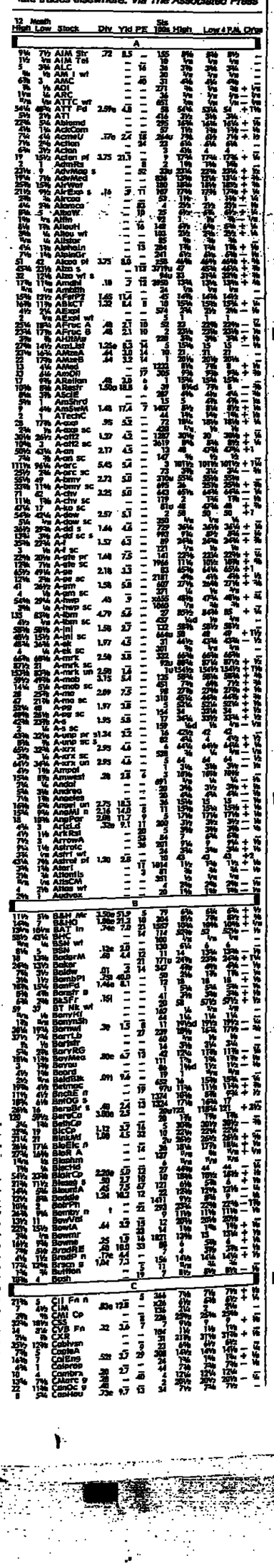
- **Broken Hill Pty.**, Australia's biggest company, reported a 50 percent slump in half-year profit, to 406.7 million Australian dollars ($314.5 million) in the six months to Nov. 30, with notable falls in its steel and energy units because of weak markets.
- **Nissan Motor Co.** forecast a rebound in domestic car sales next year, along with improved demand in the United States and parts of Europe.
- **Matsushita Electric Industrial Co.** said it planned to invest £8 million ($14.6 million) in a new plant in Scotland to make television parts.
- **Bank of Kinki Ltd.**, Japan's 49th-largest bank, has been granted a banking license to operate in Hong Kong.
- **Shiseido Co.** said it expected sales of its cosmetics in Mexico to reach 900 million yen ($8.6 million) in 1994, and in Chile, 200 million yen.
- **Ajinomoto Co.** of Japan plans to cut its stake in **Cheil Frozen Foods Co.**, a Korean venture with the Samsung group, to 10 percent from 50 percent.

AFP, Reuters

AMEX

Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

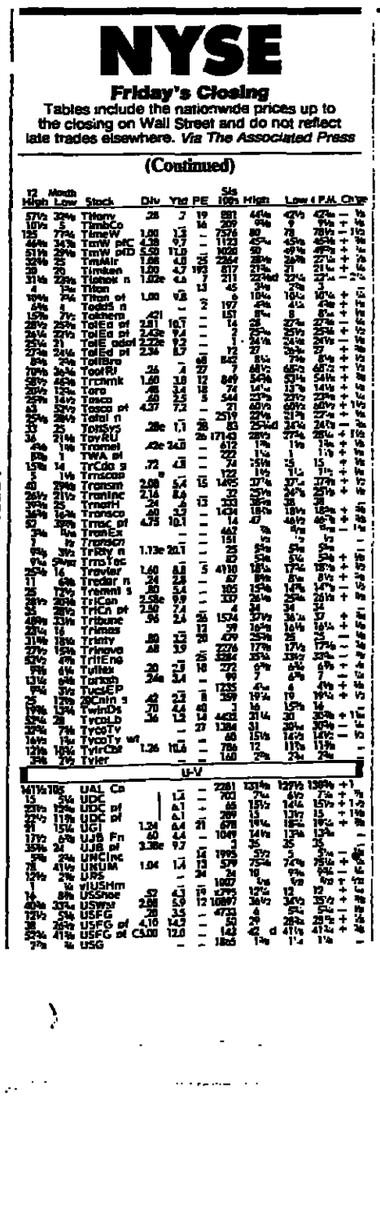


NYSE

Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued)



Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s).
b — annual rate of dividend plus stock dividend.
c — liquidating dividend.
cld — called.
d — new yearly low.
e — dividend declared or paid in preceding 12 months.
f — dividend in Canadian funds, subject to 15% non-residance tax.
g — dividend declared after split-up or stock dividend.
i — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k — dividend declared or paid this year, on accumulative issue with dividends in arrears.
n — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/E — price-earnings ratio.
r — dividend declared or paid in preceding 12 months, plus stock dividend.
s — stock split. Dividend begins with date of split.
sls — sales.
t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u — new yearly high.
v — trading halted.
vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd — when distributed.
wi — when issued.
ww — with warrants.
x — ex-dividend or ex-rights.
xds — ex-distribution.
xw — without warrants.
y — ex-dividend and sales in full.
yld — yield.
z — sales in full.

SPORTS

Lion vs. Bill: 2 Great Rushers

New York Times Service

LIONS (11-4) AT BILLS (13-2)

Key Stats: Barry Sanders leads the league in rushing yards with 1,440; the Bills' Thurman Thomas is second with 1,407.

Comment: Buffalo has won its division for home-field advantage throughout the playoffs. Detroit can win the NFC Central with a victory and a Chicago loss. The game features two dazzling backs — teammates at Oklahoma State — who will go head-to-head for the rushing title. Sanders might win the title, but the Bills are favored by 6½ points.

OILERS (11-4) AT GIANTS (7-8)

Key Stats: The Oilers' quarterback, Warren Moon, has a league-record 382 completions this season. Houston has 4,399 passing yards, the Giants 2,654.

Comment: Moon has 22 touchdown passes, but 21 interceptions. Three of the Oilers' four losses were on the road. Oilers by 3.

PACKERS (3-12) AT VIKINGS (8-7)

Key Stats: Green Bay is 3-17 in its last 20 games; Vikings quarterback Rich Gannon's longest completion this season is 42 yards.

Comment: Green Bay has slipped in resolve and execution, and Coach Lindy Infante will pay with his job. The Vikings win and then say that in other seasons a 9-7 record would have got them into the playoffs. Vikings by 6.

JETS (7-8) AT DOLPHINS (8-7)

Key Stats: Jets won, 41-23, in the last meeting, on Sept. 29, rushing for 206 yards. This season Dan Marino has 23 touchdown passes, 12 interceptions.

Comment: Jets need strong special teams play to offset the Dolphins' passing and home-field advantage. The Jets must improve upon 11 yards on punt returns in their 6-3 loss to New England. Dolphins must hope their defense improves. Dolphins by 6.

FALCONS (10-5) AT COWBOYS (10-5)

Key Stats: The Falcons' kicker, Norm Johnson, has made 15 consecutive field goals; the Cowboys' quarterback, Troy Aikman, owns an NFC-best 65.3 percent pass-completion rate.

Comment: Steve Beuerlein starts at quarterback for Dallas, but Aikman should see action. Emmitt Smith is 17 yards behind the league's leading rusher, Deion Sanders. A victory gives Atlanta the NFC West title. But Dallas seeks its fifth straight victory. Cowboys by 3.

BROWNS (6-9) AT STEELERS (6-9)

Key Stats: The Steelers' Bubby Brister, in his first game since Oct. 14, threw for 184 yards and two touchdowns last week in a victory over Cincinnati.

Comment: Brister says he is no backup quarterback. He believes he showed that against the Bengals. Cleveland's Bernie Kosar knows the Browns could be in the playoffs with a little more help from his teammates. Kosar has 17 touchdown passes and only six interceptions. Pittsburgh, however, will force him into more mistakes. Steelers by 3.

COLTS (1-14) AT BUCCANEERS (2-13)

Key Stats: Colts' only victory this year was on the road; Colts have scored only 140 points, fewest in the NFL.

Comment: The Colts already own draft's No. 1 pick but if they beat Tampa Bay they gain the No. 2 because of a previous trade with the Bucs. Indianapolis cannot even get that right. Watch the Tampa Bay running backs romp and show Colts where they need help most. Nearly everywhere. Buccaneers by 5½.

PATRIOTS (6-9) AT BENGALS (2-13)

Key Stats: Bengals are already assured of their worst season ever; Leonard Russell, the Patriots' rookie running back, is 86 rushing yards shy of 1,000.

Comment: There is little reason to believe that Cincinnati will beat New England. The Bengals average 6.5 yards per pass, their opponents 8.15. The Bengals have 11 touchdown passes, their opponents 25. The Bengals have 11 rushing touchdowns, their opponents 20. The Bengals have 17 sacks, their opponents 32. Patriots by 2.

BRONCOS (11-4) AT CHARGERS (4-11)

Key Stats: Broncos rank second in the AFC against the pass and eighth against the run; Chargers have outrushed their opponents 2,134 yards to 1,521.

Comment: Chargers' bruising ground game makes them a potentially tough opponent for anyone. Marion Butts has 788 rushing yards and six touchdowns; Rod Bernstine has 749 rushing yards and seven touchdowns. What Denver cannot match on the ground, it does through the air. Broncos by 2½.

CHIEFS (9-6) AT RAIDERS (9-6)

Key Stats: Chiefs' rushing defense has slipped to 10th in the AFC; Raiders are even in turnovers with 31 on offense and 31 caused by the defense.

Comment: With AFC west title under Denver's lock and key, this game decides whether the Chiefs and Raiders — both in the playoffs — will host a wild-card game. Todd Marinovich is expected to get his first start for the Raiders. Raiders by 3½.

SAINTS (10-5) AT CARDINALS (4-11)

Key Stats: Cardinals have lost seven straight; Bobby Hebert has two career 300-yard passing games, with a career-high 320 last week over the Raiders.

Comment: With a healthy Hebert, the Saints can win the NFC West if they are victorious and Atlanta loses. Even as a wild-card team, the Saints' playoff chances are enhanced immeasurably with Hebert. Saints by 6½.

REDSKINS (14-1) AT EAGLES (9-6)

Key Stats: Gary Clark has a career-best 10 touchdown catches this season; Eagles had no interceptions or fumble recoveries in a 25-13 loss to Dallas last week.

Comment: Washington can break the NFL record for fewest sacks allowed in a season: seven. The Redskins have allowed six. Philadelphia wants to snap that string and take out their frustrations for missing the playoffs. In the first meeting between the two, Washington Coach Joe Gibbs ordered a field goal in the waning seconds of a 23-0 victory. This time Gibbs needs that field goal. Redskins by 3.

RAMS (3-12) AT SEAHAWKS (6-9)

Key Stats: Rams have lost nine straight; Seahawks rank 10th in AFC offense and have made 40 turnovers compared with Cleveland's AFC-low 13.

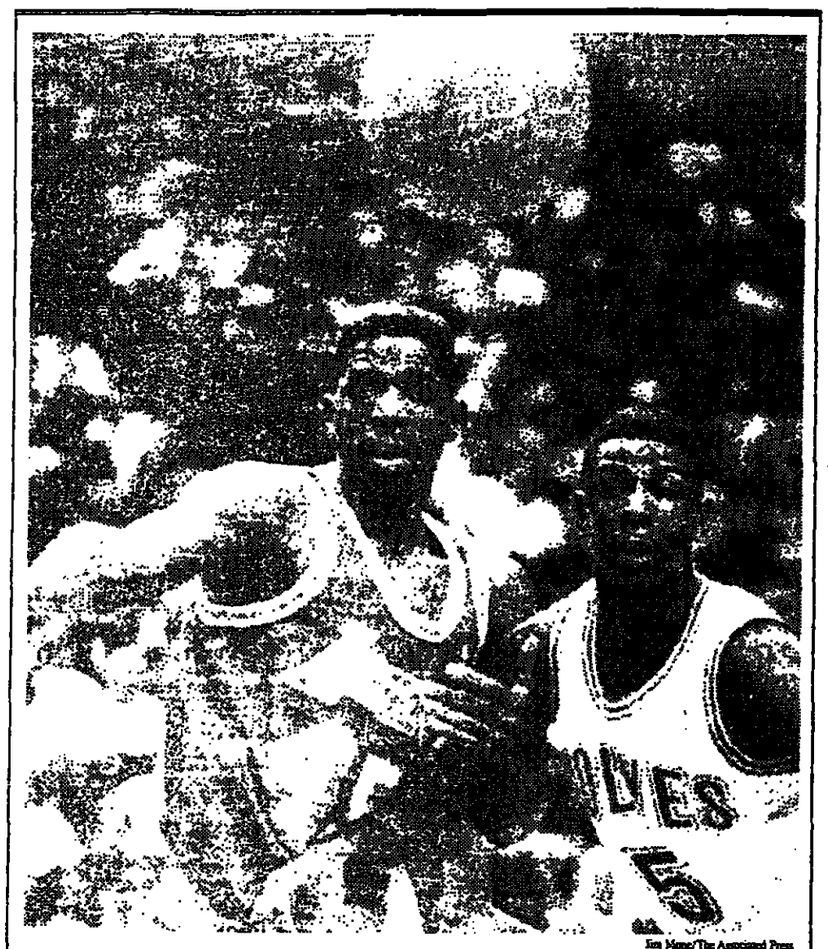
Comment: The Rams' coach, John Robinson, is stepping down and Seattle's Chuck Knox also may not survive after the '91 season. A slew of Seattle injuries has helped color its season blue. The Rams got off on the wrong foot early and stayed there. Seahawks by 5½.

BEARS (11-4) AT 49ERS (9-6)

Key Stats: Bears have outrushed the 49ers 1,854 yards to 1,746 yards; 49ers have outgained the Bears in passing yards 3,626 to 2,811.

Comment: The 49ers may be the best team to not make the playoffs. The Bears defense always has trouble with the 49ers multiple formations and fronts. The Bears seek a solid balance in their offense for the playoffs. The 49ers say wait till next year. 49ers by 5.

These matchups of weekend NFL games were written by Thomas George of The New York Times. Odds were provided by the Latest Line.



Jim Mone/The Associated Press

EYES OF THE BEHOLDERS — A.C. Green of the Lakers and Doug West were tangled up and eyeing a loose ball. Minnesota upset Los Angeles, 93-85, ending a nine-game losing streak.

Razorbacks Approach Cutting Edge

The Associated Press

Arkansas beat Montevallo, but the Razorbacks had Arizona on their mind.

Oliver Miller scored 15 points and grabbed 12 rebounds as the No. 19 Razorbacks breezed past the NAIA challengers, 91-70, on Thursday in Little Rock, Arkansas.

After nine days off for final exams, Arkansas (6-2) used the game as a tuneup for its game with No. 2 Arizona on Saturday in Fayetteville, Arkansas.

"We tried to do some things with our top seven players that we have to do against Arizona," said the Arkansas coach, Nolan Richardson. "It's not a game we played to win, but rather to execute."

Miller scored 11 of his points during a 25-10 second-half run that gave the Razorbacks their biggest lead, 69-34, with 12:18 to play.

When the Arkansas substitutes took over, things got sloppy and Montevallo (8-3) rallied to close the gap to 83-68 with 3:43 left.

Nate Driggers led Montevallo with 17 points. Keith White added 14 and Greg DeJarnett 12.

No. 25 Louisville 90, Morehead St. 76: In Louisville, Kentucky, Dwayne Morton scored 12 of his 33 points in the final 5:08 to spark the Cardinals.

Morton also opened the game with a hot hand, scoring 15 points as Louisville (5-0) took a 20-14 lead with 10:14 left in the half.

Trailing by 14 points, Morehead State (4-4) rallied to make it 74-69 on a jumper by Brett Roberts with 6:06 remaining. But Morton helped the Cardinals pull away.

COLLEGE BASKETBALL

Recalling Papa Jimmy As His Sport Turns 100

By Dave Anderson

New York Times Service

WEST NYACK, New York — Memories of the founders of our games are mostly lost in history. Nobody living today knew Abner Doubleday, if indeed he nurtured baseball's roots.

Football evolved from rugby and soccer. Hockey was first played by forgotten Canadian soldiers. Scottish shepherds topped the early golf balls. French clerics plopped the first tennis ball into a net.

But as basketball awaits this weekend's celebration in Springfield, Massachusetts, of its 100th birthday, its creator, Dr. James Naismith, is still alive in the mind of one of his grandsons.

"I remember Papa Jimmy taking me to the old Madison Square Garden in 1936 on his way to Berlin for the Olympics," said Jim Naismith, 68.

"I think we were in the Garden for the Olympic Trials and after he tossed up the first ball, I sat with him in the press row. But that day he was angry about something."

Now stocky and white-haired, the grandson was 12 then, and his grandfather was 74. For the first time, the Olympics would include basketball.

Vantage Point

But the man who in 1891 had peach baskets hung in the Young Men's Christian Association Training School gym in Springfield was annoyed at the selection process of the U.S. team.

"He was happy basketball was going to be played in the Olympics that August," his grandson recalled, "but he was disappointed that it wasn't serving the purpose it was meant to: a game you played for sportsmanship and to use the winter months."

In that case, what would Naismith think of today's basketball with its multimillion-dollar pros about to soar into midair in the Olympics in Barcelona next summer, its multimillion-dollar college tournament, its multimillion-dollar television contracts, its multimillion-dollar sneaker contracts for coaches?

"I think he would consider the game itself to be a natural evolution," his grandson said, "but the salaries might bother him. He never thought of making money out of basketball. If he had, he would have patented it.

"He wasn't interested in money. He turned down a considerable amount of money to endorse cigarettes."

NAISMITH WAS A DOCTOR of medicine and a doctor of divinity who also held a master's degree in physical education.

"He was a very firm Presbyterian minister," his grandson remembered. "To him, it was important for the spiritual, mental and physical aspects of life to work in harmony."

"He had a cauliflower ear, and he always had that mustache you see in all those younger pictures of him wearing a suit and a starched collar," he said with a smile. "That mustache was a prickly one. I know that from all the times he kissed me." Their day at the 1936 Olympic Trials was the last time Jim Naismith would see his grandfather, who died in 1939.

"As a youngster," the grandson said, "I was a terrible basketball player. I couldn't dribble, I couldn't pass and I certainly couldn't hit the basket. Not that my grandfather would have cared. To him, other things in life were always more important."

In his little white house here, Jim Naismith cherishes three mementoes of his grandfather.

"This little pewter pitcher," he was saying now, "was given 'au fondateur du basketball' in Geneva after the 1936 Olympics by the International Federation of Basketball Leagues.

"This gold medal is the first Edward Norris Tarbell medallion that Springfield College awarded him in 1935 for 'notable service to alma mater.' And notice the inscription in this New Testament."

Inside the small, black leather bible, written in ink, is "Jas A. Naismith from Jas Naismith Xmas 1923," the grandson's first birthday.

"I think Papa Jimmy had about 15 grandchildren, but there may be more," Jim Naismith said. "At the gala ball at the Basketball Hall of Fame and Springfield College on Saturday night, I'm told that there'll be about 20 relatives, including four or five James Naismiths."

Enough to blow out the 100 candles on the birthday cake for Papa Jimmy's game.

BOOKS

THE WORLD IS MY HOME

James Michener. 511 pages. $25. Random House Inc., 201 East 50th Street, New York, N.Y. 10022.

Reviewed by Michael Kernan

OF course he's full of himself: It's his autobiography! This is James Michener's great chance to tell the world about the English exam he killed in college 65 years ago, and how he deduced the atomic arms race years before Hiroshima, and how he anticipated the TV-era hunger for long, long novels, and recount his careers in fortune-telling and trapeteering and singing and politics and a few other things.

The point is, you don't really mind a little wing-flapping and chest-puffing — for Michener is everything he says, and more. At 12 this wandering orphan hitchhiked to Florida from his native Pennsylvania. (You could do that in those days.) Next thing you know, he was a merchant sailor, student at eight colleges, boasting "the highest grade ever" at Swarthmore and graduate work at Harvard, then a teacher with a travel allowance who walked across Scotland twice. He was no tourist: he lived and worked all over the world. By the time he was 50 he had "worked substantially" in 103 different countries.

With its one-word chapter titles, his book at first seems thrown together, as he jumps back and forth in time. But it soon becomes apparent that Michener knows exactly what he is doing. The various aspects of his life ("People," "Politics," "Ideas," "Health," "Wealth," etc.) coalesce to give a thorough portrait of this self-congratulatory yet truly modest man.

Yes, modest. He insists that his Pulitzer Prize for his first novel, "Tales of the South Pacific," published at age 39 when he had about $500 to his name, was awarded in 1947 only because there was no competition. The year before it was won by Robert Penn Warren's "All the King's Men" and the year after by James Gould Cozzens's "Guard of Honor."

He never mentions that in 1947 his book was up against A. B. Guthrie's "The Big Sky," John Horne Burns's "The Gallery," two Steinbeck books, a Sinclair Lewis and Laura Z. Hobson's "Gentlemen's Agreement."

In fact the best parts of this engaging and readable work concern his World War II experiences in the South Pacific, where he met a woman actually named Bloody Mary (long before the drink was invented) and where he stumbled on a miserable little Melanesian village whose name so charmed him that he wrote it down: Bali-H'ai. The story of how his often hilarious adventures turned into a book and then a Broadway musical so successful that after opening night he couldn't afford to buy a ticket is really the heart of his autobiography.

Michener has been accused of running a writing factory, an atelier that turns out his enormous, laborious historical epics. Not at all. He employs one full-time researcher and for two books was loaned a couple of extra helpers. "When such helpers bring the research material to my attention, I still do all the reading, evaluating and writing," he says. "In most instances I have not even had the help of book-finders, but when I did, their assistance was appreciated."

Michener goes into some detail about his political career as a firm liberal who once helped rescue a friend from Joseph McCarthy's clutches. He barely mentions his home life, however, or his three marriages, preferring to talk about his athletic prowess, his gout, his heart attacks and other aspects of the achievement that pleases him most, his surviving to 85 very much intact.

As for money, he gives it away as fast as he can, though it does seem to accumulate. He bought thousands of Japanese prints before they came into fashion and now has another fortune on his hands. "I have never been obsessed with money, nor sought it avidly," he writes. "About half the books I've written have not been best-sellers, nor were they intended to be . . . "

Well, he has written 32 so far, and this one is going to hit the charts for sure: a picture of a bright, energetic, inner-directed man who is literally at home in the world and who still has that old storytelling magic.

Michael Kernan, a former Washington Post reporter who is now a free-lance writer, wrote this for The Washington Post.

BRIDGE

By Alan Truscott

OVER a year ago in San Francisco two experts who had never played together won the Life Master Open Pairs. In November, at the American Contract Bridge League's Fall Nationals in Indianapolis they successfully defended the title.

Hugh Ross of Oakland, California, who has won two team world titles, played with Zia Mahmood, a globe-trotting Pakistani star who lives primarily in Manhattan. They surged in the final two sessions, and moved into the top position in the last round of play to win by almost a board.

On the diagramed deal Ross as West made a brave decision: when his partner made a balancing double of a three-club opening he passed for penalties. He had no attractive bid, and decided to hope that his partner's hand was very strong. And it was.

A spade was led, and East took the queen. He was in no hurry to give his partner a spade ruff, and shifted to the diamond king. South won with the dummy's ace and led a heart. East won and led his club ten, and West allowed South to win with the king. South surrendered a heart by leading the jack, but the defense too the spade ace and a spade ruff. Then West was able to cash the club ace, removing dummy's remaining trump, and the defense scored another trick for down three. This gave Ross and Zia 500 points, more than the value of the game available to other pairs with the East-West cards.

NORTH
♠ K 10 9 8 2
♡ 8 2
◇ A J 10 3
♣ K 6

WEST
♠ 6 5
♡ 10 7 4
◇ 9 7 6 4
♣ A 7 5 3

EAST
♠ A Q 3
♡ A K Q 10 6
◇ K Q 9 5
♣ 10

SOUTH (D)
♠ J 7 4
♡ J 5 3
◇ 7
♣ K Q J 9 4 2

Neither side was vulnerable. The bidding:

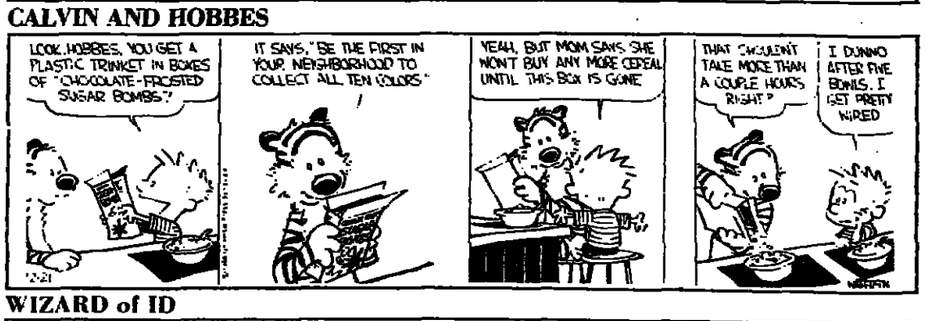
South	West	North	East
3 ♣	Pass	Pass	Dbl
Pass	Pass	Pass	

West led the spade six.

PEANUTS

BEETLE BAILEY

CALVIN AND HOBBES



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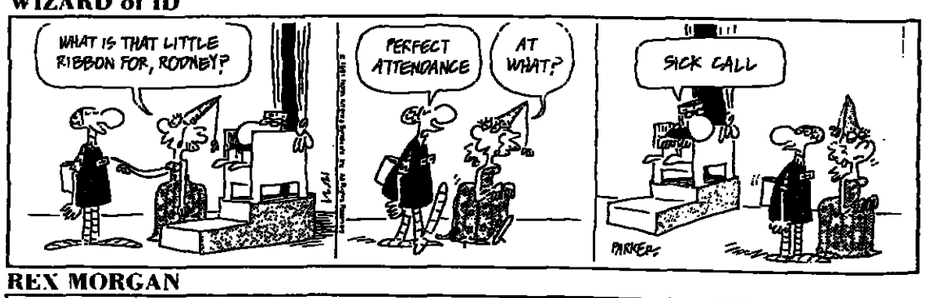
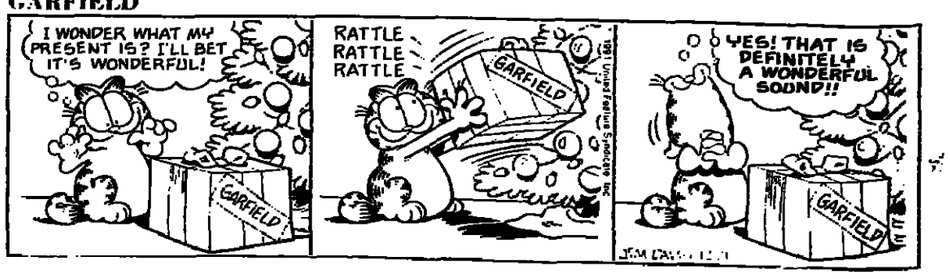


REX MORGAN

DOONESBURY

GARFIELD



DENNIS THE MENACE

JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

TANEC
KRAME
CRUSIC
HUCHAN

He relied too much on others

WHAT A GUY! WHO LEAVES TOO MUCH TO CHANCE HASN'T GOT.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: ____ OF A ____

(Answers Monday)

Yesterday's Jumbles: STAID BANJO TONGUE OUTING
Answer: That gambler never knows where his next dollar is coming from, but always knows where . . . IT'S GOING TO

BLONDIE

SPORTS

In a Bangkok Ring, A Hero's Farewell

Khaosai Seeks a Crowning Victory

By Michael Richardson
International Herald Tribune

In the punishing profession of Thai boxing, no holds are barred.

The sport calls for courage, skill and an astonishing ability to withstand pain as two gloved adversaries try to kick, punch, knee and butt each other into submission.

Perhaps not surprisingly, this cauldron of raw fighting has produced a conventional professional boxer who has held a World Boxing Association title longer than any other current title-holder in any weight division.

Khaosai Galaxy, the WBA junior bantamweight champion since November 1984, will defend his title in Bangkok on Sunday against Armando Castro of Mexico.

When he steps into the ring, fans throughout Thailand, where Khaosai has cult status, will be glued to their televisions and radios. Although he has said it before, the former kick-boxer gives every sign of retiring after this fight.

Khaosai's fitness and power show no sign of flagging. But he is 32 and says he wants to concentrate on his business interests. He also wants to marry his Japanese fiancée, Yumiko Ohta, early next year.

A triumph Sunday in his 19th title defense would be a crowning victory.

"I can be the great champion forever," he said, "and I can be a hero for the Thai people forever."

None of his past eight title defenses, dating to July 1989, have gone the distance. His career record is 47 victories, most of them knockouts, against one loss.

No other Asian boxer has defended a world title for so long. Although not well known in the West outside boxing circles, Khaosai won the WBA Boxer of the Year award twice, in 1989 and 1990.

When he won in 1989, he outpolled Mike Tyson, then world heavyweight champion.

Edward Thangarajah, a veteran sportswriter for the Bangkok Post, said that after long years of rigorous training and fight experience, Khaosai has "dynamite laden fists, a strong and hard chin to absorb punishment, a heart of a lion and guts of steel."

Born into a family of rice farmers near the city of Petchaboon in north-central Thailand on May 15, 1959, Khaosai and his twin brother, Khaokor, were encouraged at an early age by their mother to take up kick boxing. Khaokor was later to become a WBA bantamweight champion.

For many young Thai men from poor rural families, kick boxing offers a chance to achieve fame and financial security. It brought Khaosai to Bangkok, the heartland of the sport.

He achieved some success and came to the attention of a promoter, Niwat Laosuwanwat, who remembers the well-muscled young boxer as having "one of the hardest punches I had ever seen."

In Thai boxing, fights are meant to go five rounds. But Niwat, who has been Khaosai's manager since he abandoned kick boxing, said his protégé seldom went more than three rounds before knocking out opponents.

But Niwat said that Khaosai's weakness as a kick boxer was in his legs.

"So it seemed natural that he should move into the Queensberry Rules arena," Niwat added, referring to the code of boxing.

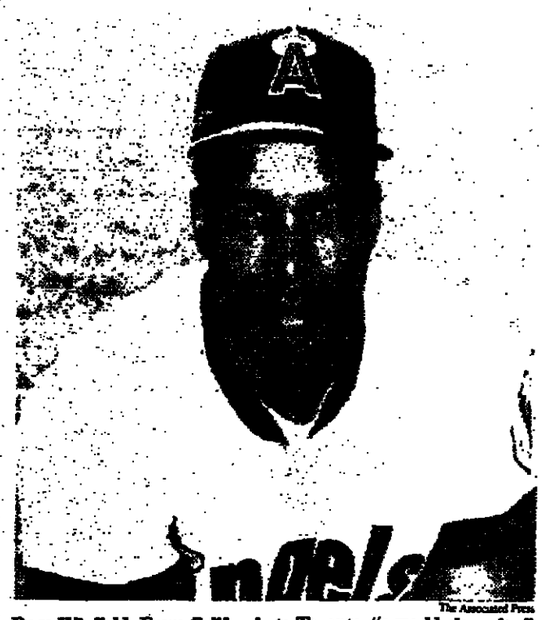
One of the first things he did as manager was to change his protégé's name from Sohla Saenghom to Khaosai Galaxy.

Khaosai is a mountain range near Petchaboon and was chosen because it suggested strength. Galaxy was the name of a restaurant in Bangkok, run by a friend of Niwat's.

Success as a conventional boxer did not come quickly or easily.

But Khaosai, under the shrewd guidance of Niwat, was prepared to wait for his chance. It came on a steamy night in 1984 when he won the vacant WBA junior bantamweight title by knocking out Ensebio Espinal of the Dominican Republic.

If he wins on Sunday, Khaosai will likely earn about $350,000 for his farewell appearance.



The Associated Press
Dave Winfield: From California to Toronto, "a world-class city."

Red Sox and Viola Agree to 3-Year Pact

In Flurry of Free-Agent Deals, Jays Sign Winfield and Orioles Get Sutcliffe

Compiled by Our Staff From Dispatches

After striking out with their $18.2 million worth of free-agent pitching acquisitions last winter, the Boston Red Sox have fearlessly ventured into the market again, reaching an agreement in principle with Frank Viola on a three-year, $13.9 million contract.

The agreement on Thursday came 24 hours after the Toronto Blue Jays, Boston's chief division rival, added Jack Morris to their starting rotation. But in what seemed like a game of one-upmanship, the Blue Jays further fortified themselves on Thursday, this time bolstering their offense by signing Dave Winfield as a free agent for $2.3 million for one year.

In another free-agent move, the Baltimore Orioles reached agreement on a one-year deal for $1.2 million with Rick Sutcliffe.

Free agents had until midnight Thursday to accept arbitration. In that process, both player and team submit a proposed 1992 salary to an independent arbitrator, who then picks one of the two figures.

Twelve free agents rejected arbitration and may negotiate with their former clubs through Jan. 8.

Players who are not free agents and who are not offered contracts by midnight Friday become free agents.

The Red Sox, feverishly seeking an established starter to team with Roger Clemens, did not acknowledge the Viola agreement, saying they would make no announcement "until it's a done deal."

Viola, 31, who last spring rejected a $13 million, three-year extension offered by the New York Mets, must pass two physicals in order for the deal to take effect. The left-hander slumped to a 13-15 record last season, only his second losing season since 1983.

Craig Fenech, Viola's agent, said some last-minute "glitches" had delayed completion of the deal, but all except one were worked out Thursday. That one, dealing with a $100,000 bonus for innings pitched in the 1994 season, which could be affected by labor strife, was expected to be resolved on Friday.

The final glitch epitomized the kind of negotiations the two sides apparently had in recent days. Without commenting on the specifics of their talks, Fenech said, "I would say the negotiations were difficult at times, and there were numerous variables introduced at various points in the proceedings, which caused it to take longer than it otherwise might have."

The basic elements of the deal call for a $1 million signing bonus and salaries of $4.4 million, $4.5 million and $4 million. Viola also can earn $100,000 a year if he pitches 235 or more innings. The number of innings would be prorated if there is a strike or a lockout in 1994, but the Red Sox also want to pro-rate the bonus. That was the remaining matter to be resolved.

The contract will make Viola the fourth highest-paid pitcher with an annual average of $4,633,333 and the sixth highest-paid player over all. Like the New York Mets with Bobby Bonilla and Dwight Gooden, the Red Sox will have two players among those six in Viola and Clemens.

When the Red Sox pursued pitchers last winter, they signed Danny Darwin ($11.8 million) and Matt Young ($6.4 million), but both suffered injuries and were ineffective. Darwin had a 3-6 record and 5.16 earned run average in 12 starts in 1991; Young a 3-7 record and 5.18 e.r.a. in 16 starts.

Winfield was free to sign with the Blue Jays because the California Angels opted not to exercise the option in his contract for a $3 million salary for next year. Instead, they paid him $450,000 to buy out the option.

The Detroit Tigers competed with the Blue Jays, making a similar offer, Winfield said.

"But on balance, I just looked at Toronto as having a slightly better chance to win," Winfield said. "Beyond that, Toronto is a world-class city and I've played well there."

The Blue Jays plan to use Winfield, who is 40 and whose 406 home runs lead all active players, primarily as a designated hitter, although he would provide good outfield insurance if Derek Bell, their young outfielder, isn't as ready as they think he is.

Sutcliffe, 35, a former Cy Young Award winner, was 6-5 with a 4.10 ERA last season. He was bothered by shoulder problems, then came back from the disabled list Aug. 6 and finished the year 4-1 with a 2.33 ERA.

"Physically, there's no problem," Sutcliffe said. "The season just ended too soon for me last year."

On Friday, Willie Randolph, the former New York Yankees second baseman, who finished third in the 1991 American League batting race, agreed to a one-year contract for a guaranteed $850,000 with the Mets.

In other deals Thursday night, pitcher Joe Hesketh returned to Boston with a $3.55 million, two-year deal, while Brian Harper went back to Minnesota for $5 million over two years. Pedro Guerrero accepted arbitration with St. Louis, which really did not want him back, and Ron Darling returned to Oakland, which did want him.

Dan Gladden, the free-agent outfielder who scored the winning run in Game 7 of Minnesota's *World Series victory, agreed Thurs*day to a two-year, $2.2 million contract with Detroit. *(NYT, AP)*

■ **Marshall Goes to Japan**

Mike Marshall, 31, has signed a two-year contract to play for the Nippon Ham Fighters, The Associated Press reported.

"It was just the right time for him to go," Marshall's agent, Chris Arnold, who worked out the deal, said Thursday night.

Marshall spent 11 seasons in the majors, batting .270 with 148 home runs and 550 RBIs. He played the first nine years with Los Angeles, split 1990 with the Mets and Red Sox, and was with the Red Sox and Angels last season.

Marshall hit .261 with one homer and seven RBIs in 24 games with the Red Sox and Angels this year.

Another Blow For Woosnam: Trophy Stolen

The Associated Press

LONDON — The sterling silver Masters trophy won by Ian Woosnam last spring has been stolen from a train, capping a frustrating half-year for the world's top golfer.

British Transport Police said the trophy, a $9,000 copy of the original, was taken from a train on Monday while en route from London to Woosnam's home in Oswestry.

The trophy was being returned to Woosnam's home after being displayed on a BBC television show reviewing the year's sports highlights. The Masters victory was Woosnam's first major title.

Woosnam has been in a slump since that victory and has been weakened in recent weeks by an exhausting travel schedule. After the first round of the World Championship in Jamaica on Thursday, he was five shots behind the leader.

Steve Howe Held on Cocaine Charge

By Jack Curry
New York Times Service

Steve Howe, who made a glorious comeback as a relief pitcher with the New York Yankees last season after six suspensions from baseball for drug and alcohol abuse and almost four years away from the major leagues, has been arrested on a federal charge of cocaine possession in Montana.

Howe, 33, who signed a $600,000 contract with the Yankees last month that could have risen to $2.3 million if he had remained healthy, was arrested Thursday in Kalispell, Montana, according to Flathead County Sheriff Jim Dupont.

[Howe was released from jail on Friday after pleading not guilty to possessing the drug, The Associated Press reported.

[Agent Wes Hearon of the Drug Enforcement Administration said Howe bought a gram of cocaine for $100 from a DEA informant on Thursday. U.S. Magistrate James Oleson accepted Howe's plea and released him on his own recognizance. Trial was set for Jan. 30.]

His arrest was related to a drug bust involving a kilogram (2.2 pounds) of cocaine in Kalispell last weekend, the sheriff said.

AP
Pitcher Howe: Out of chances?

Kalispell is in the northwest corner of Montana, near Howe's hometown of Whitefish, where he was teaching arts and crafts classes at a church during the off-season.

Fay Vincent, the baseball commissioner, said he was "heartbroken" over the arrest. He declined to speculate on how the arrest might affect Howe's status in baseball, but it is likely that he will be suspended again and has possibly run out of chances to come back.

"If it's true, it's a tragedy," Vincent said Thursday night. "I'd like to wait to see if the facts are confirmed. It's another indication of what a vicious disease cocaine addiction is."

The arrest comes as a serious blow to the Yankees, who were counting on Howe to be their left-handed closer out of the bullpen next season. In his first uninterrupted season since 1982, Howe was 3-1 in 1991 with a 1.68 earned run average in 37 games.

Despite missing 51 games with a tender left elbow, he was still one of the Yankees' most reliable pitchers.

"It hasn't even crossed my mind to think about what it does to our pitching staff," said Buck Showalter, the Yankees' manager. "I don't feel any loss in terms of pitching. I'm just worried about him as a person."

The Yankees signed Howe to a minor league contract with the Class AAA Columbus Clippers after he was impressive during spring training last season. He pitched in 12 games for the Clippers and returned to the majors on May 11.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

Atlantic Division

	W	L	Pct	GB
Boston	16	7	.696	—
New York	15	7	.682	½
Miami	12	12	.500	4½
Philadelphia	11	12	.478	5
New Jersey	7	16	.304	9
Washington	7	17	.292	9½
Orlando	6	17	.261	10

Central Division

Chicago	18	4	.818	—
Cleveland	13	9	.591	5
Atlanta	12	11	.522	6½
Milwaukee	12	12	.500	7½
Detroit	12	14	.462	8
Indiana	11	15	.423	9
Charlotte	7	19	.269	13

WESTERN CONFERENCE

Midwest Division

	W	L	Pct	GB
Utah	17	9	.654	—
Houston	13	9	.591	2
San Antonio	13	10	.565	2½
Dallas	10	14	.417	6
Denver	10	14	.417	6
Minnesota	4	18	.182	11

Pacific Division

Golden State	15	7	.682	—
LA Lakers	16	8	.667	—
Portland	15	9	.625	1
Phoenix	14	10	.583	2
Seattle	13	11	.542	3
LA Clippers	14	12	.538	3
Sacramento	7	16	.304	8½

THURSDAY'S RESULTS

Milwaukee 25 34 20 26—105
Orlando 21 22 22 22—87
Humphries 5-12 2-2 13, Ellis 6-11 11-13 27; Catledge 9-17 2-2 20, Reynolds 6-9 3-5 15. Rebounds—Milwaukee 57 (Malone 10), Orlando 45 (Catledge 8). Assists—Milwaukee 13 (Robertson 5), Orlando 21 (Vincent 7).

LA. Lakers 22 17 26 28—93
Minnesota 27 28 19 19—93
Perkins 9-23 4-7 22, Worthy 11-20 8-9 22; T.Campbell 10-18 3-4 23, Brewer 8-11 1-1 17. Rebounds—Los Angeles 50 (Green 11), Minnesota 52 (Mitchell 10). Assists—Los Angeles 17 (Threatt 6), Minnesota 27 (West, Richardson 9).

Sacramento 23 22 28 33—102
Houston 26 29 35 19—109
Tisdale 6-17 2-2 14, Richmond 9-16 3-3 24; Thorpe 6-8 9-10 21, Olajuwon 8-13 5-7 21, K.Smith 5-9 10-10 20. Rebounds—Sacramento 39 (Tisdale, Schintzius 7), Houston 59 (Olajuwon 17). Assists—Sacramento 28 (Simmons 7), Houston 24 (Maxwell, K.Smith 5).

Denver 17 29 16 42—104
Seattle 25 33 30 28—119
Lickli 8-11 0-0 16, Liberty 7-12 3-4 16; Johnson 13-23 2-2 28, Pierce 11-15 7-7 29. Rebounds—Denver 43 (Mutombo 6), Seattle 62 (Cage 15). Assists—Denver 17 (Mutombo 4), Seattle 28 (Payton, McMillan, McKey 4).

Major College Scores

EAST

Manhattan 71, Colgate 46

SOUTH

Georgia St. 79, Mercer 78, OT
Jacksonville 118, Bethune-Cookman 93
Louisville 90, Morehead St. 76
Memphis St. 85, Minnesota 62
Mississippi 111, Alcorn St. 67
Mississippi St. 74, Vanderbilt 71
Point 79, Howard U. 78
Pittsburgh 89, Marshall 65
SW Louisiana 53, Nicholls St. 52
W. Kentucky 93, Murray St. 89

MIDWEST

Cent. Michigan 74, Oakland, Mich. 62
Evansville 88, Coastal Carolina 57
Loyola, Ill. 84, UC Irvine 51

SOUTHWEST

Arkansas 91, Montevallo 70
Houston 94, St. Mary's, Texas 67
New Mexico St. 76, Texas Tech 68
Rice 101, Grambling St. 61
SE Missouri 70, Texas-Pan American 68
Texas-El Paso 89, Texas Wesleyan 73

FAR WEST

Brigham Young 104, McNeese St. 64
Nevada 117, NW Louisiana 88

European Basketball

EUROPEAN CLUB CHAMPIONSHIPS

Pool A

Barcelona 94, Maccabi Tel Aviv 83
Olimpia Zagreb 87, Virtus Bologna 74

Pool B

Partizan Belgrade 75, Estudiantes Madrid 95
Jovanhut Badalona 95, Bayer Leverkusen 92 OT
Mechelen 79, Dan Helder 77
Philips Milan 113, Aris Salonika 108 OT

HOCKEY

NHL Standings

WALES CONFERENCE

Patrick Division

	W	L	T	Pts	GF	GA
Washington	23	10	1	47	152	105
NY Rangers	21	12	1	43	122	105
Pittsburgh	18	11	4	40	147	122
New Jersey	16	12	4	36	123	96
NY Islanders	11	15	5	27	114	122
Philadelphia	10	16	6	26	94	112

Adams Division

Montreal	22	13	2	46	120	84
Boston	13	14	5	31	111	116
Hartford	12	15	4	28	100	114
Buffalo	9	17	5	23	93	115
Quebec	9	20	4	22	107	134

CAMPBELL CONFERENCE

Norris Division

	W	L	T	Pts	GF	GA
Detroit	20	10	4	44	133	106
St. Louis	15	11	7	37	114	110
Chicago	14	13	7	35	119	109
Minnesota	13	15	3	29	101	108
Toronto	9	20	5	23	89	118

Smythe Division

	W	L	T	Pts	GF	GA
Vancouver	20	11	4	44	124	103
Winnipeg	15	12	7	37	104	106
Edmonton	14	15	5	33	128	124
Calgary	12	15	5	31	123	118
Los Angeles	12	13	7	31	111	122
San Jose	7	26	3	17	89	162

THURSDAY'S RESULTS

Quebec 1 2 2 0—5
Calgary 1 1 3 0—5
Fleury (18), Nolan (22), Macinnis (9), Housh (11), Lasointe (7) 2, Otto (8), Roberts (23). Shots on goal: Quebec (on Vernon) 9-5-6—20. Calgary (on Tuomuth) 13-2-11-0—26.

Winnipeg 1 0 0—1
Vancouver 0 1 2—3
Borsato (4), Larionov (9), Adams (15), Linden (15). Shots on goal: Winnipeg (on McLean) 12-13-6—31. Vancouver (on Essensa) 8-10-17—35.

San Jose 0 0 0—0
St. Louis 2 2 0—4
Brown (7), Hull (30), Shanahan (15), Chelios (11). Shots on goal: San Jose (on Joseph) 11-6-4—21. St. Louis (on Hayward) 9-7-8—24.

Pittsburgh 2 1 3—6
Boston 2 1 1—4
Mullen (16), Stevens (26), Reid (2), Pederson (4), B.Sweeney (2), Francis (8), R.Bourque (11), Joser (12) 2, Recchi (18). Shots on goal: Pittsburgh (on Moog) 8-15-6—29. Boston (on Borrasso) 12-12-15—39.

N.Y. Islanders 1 1 0—2
Philadelphia 3 1 3—6
Brind'Amour (14), Kordic (1), York Ferraro (17), Duchesne (6) 2, King (17), Murphy (2), Duchesne (6). Shots on goal: New York (on Wregget) 9-10-2—21. Philadelphia (on Weeks, Healy) 14-8-9—31.

Montreal 2 2 0—4
Chicago 3 2 1—6
McPhee (8), Roberge (2), Hudson (6), Smith (5), Graham (9), Dolgnaoult (3), Odelein (1), Goulet (8) 2. Chicago Sutter (8). Shots on goal: Montreal (on Belfour) 12-9-9—30. Chicago (on Melanson, Roy) 6-11-13—30.

New Jersey 1 2 1—4
Hartford 1 0 0—1
S.Stevens (7), Hunter (7), Richer (15), Virgrola (9) 2. Shots on goal: New Jersey (on Whitmore) 7-7-3—17. Hartford (on Terreri) 6-4-9—19.

GOLF

World Championships

Scores Thursday after the first round of the $2.5 million World Championship on the 6,849-yard, par-34-37—71 Tryall Resort course in Montego Bay, Jamaica.

Bernhard Langer	35-32—67
Craig Parry	32-36—68
Greg Norman	35-33—68
Frank Nobilo	34-35—69
Andrew Magee	33-36—69
Paul Azinger	35-34—69
Seve Ballesteros	36-34—70
Eduardo Romero	33-38—71
Steve Elkington	37-34—71
Fred Couples	33-38—71
Tom Purtzer	36-35—71
Rocco Mediate	36-35—71
Ian Woosnam	34-38—72
Larry Nelson	35-37—72
Davis Love III	36-37—73
Russ Cochran	36-37—73
Craig Stadler	38-36—74
Peter Senior	35-39—74
Wayne Riley	34-40—74
Nick Faldo	36-39—75
Corey Pavin	38-37—75
Ian Baker-Finch	35-40—75
Kenny Perry	36-40—76
Payne Stewart	39-38—77
John Daly	36-41—77
Rodger Davis	38-39—77

CRICKET

SECOND TEST

Sri Lanka vs. Pakistan, 1st day
Friday, in Gairanwala, Pakistan
Pakistan 1st innings: 109-2

TRANSACTIONS

BASEBALL
American League

BALTIMORE—Agreed to terms with Rick Sutcliffe, pitcher, on 1-year contract.
BOSTON—Agreed to terms with Joe Hesketh, pitcher, on 2-year contract.
CALIFORNIA—Dick Schofield, shortstop, accepted salary arbitration.
DETROIT—Signed Mike Walker, pitcher, to minor league contract with Toledo, International League.
KANSAS CITY—Jim Eisenreich, outfielder, accepted salary arbitration.
MINNESOTA—Agreed to terms with Brian Harper, catcher, on 2-year contract.
OAKLAND—Ron Darling, pitcher, accepted salary arbitration.
TEXAS—Signed Marty Scott, director player personnel, to 2-year contract extension through 1993.
TORONTO—Agreed to terms with Dave Winfield, outfielder, on one-year contract.

National League

ATLANTA—Alejandro Pena, pitcher, accepted salary arbitration.
COLORADO—Reached 1-year player development agreement, in conjunction with the Minnesota, with Visalia, California League.
LOS ANGELES—Juan Samuel, second baseman, and Jay Howell, pitcher, accepted salary arbitration.
NEW YORK—Darryl Boston, outfielder, accepted salary arbitration.
PHILADELPHIA—Agreed to terms with Jim Lindeman, outfielder, on 1-year contract.
PITTSBURGH—Named Doc Edwards hitting coach of Buffalo, American Association.
ST. LOUIS—Pedro Guerrero, first baseman, accepted salary arbitration.

BASKETBALL
National Basketball Association

L.A. CLIPPERS—Activated Bo Kimble, guard, from injured list. Put Tony Brown, guard-forward, on injured list.

FOOTBALL
National Football League

CLEVELAND—Placed Reggie Langhorne, wide receiver, on injured reserve.
GREEN BAY—Signed Jeff Bridewell, quarterback, and Gene Cullinane, guard, to practice squad.

HOCKEY
National Hockey League

NHL—Named Scotty Bowman, Pittsburgh coach, to coach the Prince of Wales Conference All-Star team.
HARTFORD—Traded Chris Tancill, right wing, to Detroit for Daniel Shank, right wing.
L.A. KINGS—Assigned Tim Watters, defenseman, to Phoenix, International Hockey League.
VANCOUVER—Bought contract of Tom Fergus, center, from Toronto.
WINNIPEG—Recalled Luciano Borsato, center, from Moncton, American Hockey League.

COLLEGE

BETHUNE-COOKMAN—Larry Little, football coach, resigned.
BROWN—Mark Johnston, women's swimming coach, resigned.
CLARION—Bob Bubb, wrestling coach, has resigned effective at the end of the season.
CREIGHTON—Named Todd Wenberg baseball manager.
FLORIDA STATE—Eric Turral, flanker, and Willie Pautio, linebacker, academically ineligible for the Cotton Bowl.
HAMPTON—Named Joseph Taylor football coach.
KILGORE—Named Marion Turner football coach.
MINNESOTA—Named McKinley Boston athletic director.
NAVY—Named Pat Owen golf coach.
NEW MEXICO HIGHLANDS—Named Jim Ewan football coach.
NORTHWESTERN—Named Gary Barnett football coach.
ST. PETER'S—Will begin play in Division I women's soccer in fall 1992. Named Kathy Krennins women's soccer coach.
SOUTH DAKOTA—Named Dennis Crehan football coach.
SOUTHERN CAL—Named Fred Strauch assistant athletic director for academic services.
TEXAS—Named Cleve Bryant wide receivers coach, and Gene Dahlquist football offensive coordinator.
WIDENER—Bill Manlove resigned as football coach. Will continue as athletic director.

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SIDELINES

More Wimbledon Tickets for Public

WIMBLEDON, England (AP) — More tickets will be sold to the public at Wimbledon next year following a decision Friday to cut the number of tickets reserved for corporate hospitality and overseas packages.

The All England Club said it was slashing more than 1,000 tickets daily from the allocation to agents who handle corporate hospitality and overseas tour packages. That represents a cut of 70 percent, club officials said, and will leave more tickets for people who apply for seats through the annual mail ballot or by standing in line on the day of play.

Borg Sets Comeback Sights Higher

MILAN (AP) — Bjorn Borg, the five-time Wimbledon champion, says he will begin another comeback attempt Jan. 25 in an exhibition in Los Angeles, with the intention of returning to the ATP Tour.

"I will never reach the levels of when I was 25," Borg, 35, said in an interview published Thursday by the Italian sports daily Gazzetta dello Sport. "But I can still be competitive in modern tennis, serving and playing with more power."

Borg said he planned to compete in some regular ATP Tour events in 1992 following a "warmup" period in February on the over-35 circuit. In November, Borg had said he was planning a comeback on the ATP Tour's senior circuit in March. Borg lost in a first-round match to Jordi Arrese of Spain in a previous comeback attempt at the Monte Carlo Open in April.

USOC's Schiller Cited for 'Errors'

NEW YORK (AP) — Harvey Schiller, executive director of the U.S. Olympic Committee, will be permitted to remain in his job despite findings of "some serious errors of judgment and mistakes" by a USOC special counsel, appointed to investigate his activities.

The investigator, Arnold I. Burns, released a 23-page report on Thursday that cited a number of violations by Schiller of the USOC's Statement of Principles, which forbids officials from using their positions for material gain. But he made no recommendations for punishment.

In a statement, the USOC president, William Hybl, said the executive committee had reviewed the report and accepted Schiller's "renewed assurances that he would not make any similar errors of judgment." Schiller accepted full responsibility for his actions, which he said were mistakes "of judgment and style rather than anything premeditated." The report said that he had requested and received equipment and other items from sports federations.

For the Record

Evander Holyfield, the world heavyweight boxing champion, plans to fight three times in 1992, in March, June and November, his promoters said Thursday, dispelling rumors of his imminent retirement. *(Reuters)*

Sophomore running back Martin Patton was suspended from the University of Miami football team Thursday by the head coach, Dennis Erickson, a day after Patton was indicted in a credit-card scandal. *(UPI)*

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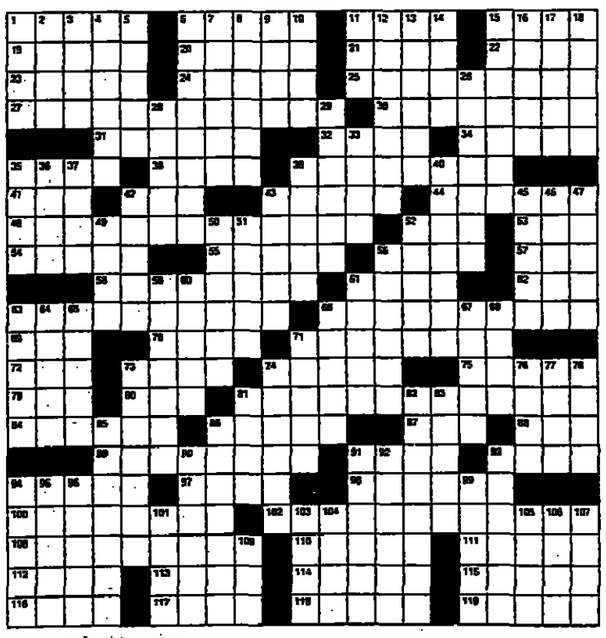
12 Christmas Gifts By John M. Samson



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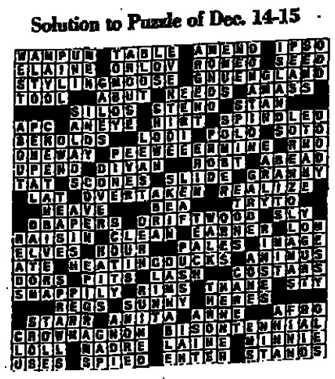
ACROSS

1 Stocking stuffer
6 Orange gem
11 "Cantique de Noël" composer
15 Colors
19 Doll up
20 Byword
21 Beach resort
22 Superior
23 Naos
24 Variable stars
25 "The World of Words" author
27 Those with telephonitis?
30 Cleanses
31 Thrills
32 Mother of Eos
34 "The Old Wives' Tale" dramatist
35 Tannenbaum topper
38 Crush
39 Traveling salesmen
41 Trio from Oslo
42 Prefix for center
43 Gray and Moran
44 Puissant
48 Jumpy noblemen?
52 Dll doubled
53 O.T. book
54 Sugarplum, e.g.
55 Fetch
56 Medicate
57 Self-image
58 Rustic
61 Elvis Presley hit
62 Confederate gen.
63 Poulenes?
66 Slow pacifist?
69 Linear measure
70 Puts away
71 Vaquero's relative
72 Radio plugs
73 Confines, in a way
74 About
75 Kind of tape
79 Society-page word
80 Mork's planet
81 Part of the holiday check-out snarl?
84 A sheepdog
86 Indian's protector
87 Under the weather
88 Female kangaroo
89 Firedogs
91 Admits
93 Rudolph's high beam
94 Come out
97 Lee in "Funny Face"
98 Range of NE Italy
100 Alert
102 Busy flautists
108 Spousal symbols
110 Swedish seaport
111 Preceder of 63 Across
112 Futile
113 Magpie
114 German river
115 TV's "—— Indiana"
116 Wrench
117 Very light brown
118 Soubrettes
119 Cob and pen

DOWN

1 Humane org.
2 Quarter
3 Dudley Do-Right's love
4 Job O. Henry had
5 "For want of —— the shoe ..."
6 Pony
7 Taos buildings
8 Opulent
9 Seaweed substance
10 Coconut, e.g.
11 Snowcapped peak
12 Magi headbands
13 In the arms of Morpheus
14 Peace Nobelist John R. —: 1946
15 Superlative for Snow White
16 Fraternal club
17 *Tannenbaum* topper
18 Simpletons
26 Chastise
28 City in SW Idaho
29 Sequence
33 Dangled
35 'Tis the season to be chary
36 Sif's husband
37 *Solothurn's river*
39 Wassail
40 Letter from Paul
42 Renaissance sword
43 D. W. Griffith films
45 Año nuevo time
46 Beersheba's locale
47 Gunwale pin
49 Denounce
50 Brooklyn's "field of dreams"
51 Irish islands
52 Two fortnights
56 Biblical seamstress
59 Swerved
60 Cut of beef
61 Blockhead
63 Coin for Père Noël
64 Copland ballet
65 Car of 1957
66 Basin in W China
67 Forage plant
68 Trifle
71 Sleighs, e.g.
73 Tip
74 Forty winks
76 Prank
77 Country Slaughter
78 S-curve
81 Joe Orton play
82 Wide ties or knots
83 "Matter of Fact" columnist
85 Wash
86 Plodding one
90 Peaceful
91 Peacock spots
92 Became friendly, with "to"
93 Enoch, to Seth
94 Loaf
95 Lyric poem
96 Adjective for Loren
99 Observances
101 Eek!
103 Muslim scholar
104 Spanish shovel
105 Soprano Petina
106 Opposite of ja
107 Turns right
109 Miami inst

Solution to Puzzle of Dec. 14-15



DAVE BARRY

Canine IQ Tests

MIAMI — Today's science question is: who is smarter, dogs or trees?

This question is on our minds here at the Research Institute For Looking Out The Window When We Should Be Writing A Column because of the behavior of our staff dogs. We have two dogs on the staff:

- Earnest, our large main dog, who is powered by an 800-horsepower motor controlled by a tiny microchip originally designed for use in a Whack-a-Mole game.
- Zippy, our emergency backup dog, who is basically a small, dim-witted toupee with legs.

Both of these dogs perform a number of routine duties here at the Institute. Their most important duty, of course, is barking. They use the energy-conserving Two-Dog Alternating Bark Procedure: a deep BARK from Earnest, followed immediately by a high, irritating yip! from Zippy, followed immediately by another BARK, and so on BARK yip! BARK yip! until morning. They implement this procedure whenever their keen senses detect that one of the following Danger Red Alert situations has occurred:

1. Somebody is at the door.
2. Nobody is at the door.
3. Another dog — any dog, anywhere in the universe — is barking.
4. None of the above.

□

Zippy performs two other main duties:

1. Getting sick on lizards. Here in southern Florida we have cute little lizards all over the place. You often see them halfway up the wall, holding very still, as if thinking: "How the hell did I get up HERE?"

Zippy spends a large portion of his day relentlessly hunting these lizards down, swallowing them, then barfing them back up again in pieces. Here at the institute we've been trying to explain this behavior, and we now believe that it dates back many eons to when giant lizards roamed the Earth, lumbering through the jungle on huge legs, shaking the ground STOMP STOMP STOMP and making so much noise that they failed to hear the high-pitched yip! from way down on the ground, where Zippy's prehistoric ancestor, the small but fierce saber-toothed toupee, was warning them that they were in his territory. And so the lizards kept coming until STOMP STOMP STOMP yip! SPLAT Zippy's ancestor was converted into a saber-toothed pizza. Millions of years later, Zippy is still ticked off about this.

2. Trying to get killed. Next door, separated from us by a tall wooden fence, is a property with three big German shepherd dogs, all of whom look as though they should be named Bart. There is a small crack under the fence, and every day Zippy goes to the crack and barks vicious insults at the Barts, causing them to become furious and take turns thrusting their snouts as far as they can through the crack in an effort to get Zippy. We're getting so sick of the noise that we're thinking about throwing Zippy over the fence to see how tough he is when confronted with more than just the nasal sector of an opposing dog. The lizards favor this idea. "Go ahead, toss him over," they whisper, from up on the wall. "He could use the exercise."

□

Earnest ignores the lizards and the Barts. Earnest's entire existence is focused on one goal: Getting a squirrel. We have a large battalion of squirrels here at the institute, scampering from tree to tree, and Earnest spends hours racing around beneath them, barking the enticing message that they should please come down so she can eat them. The squirrels never do this, but sometimes they scamper along the top of the fence, which forms a sort of Rapid Transit Squirrel Monorail.

The fence is high enough so that Earnest can't reach the top, but whenever an Express Squirrel comes scampering along, Earnest races alongside, barking furiously, gaining speed, sprinting harder and harder, barking louder, becoming a blur now, faster and faster until BONK she runs headfirst at approximately 20 miles per hour into a tree that has been located in the same spot for 30 years.

These impacts have caused no discernible damage to Earnest. We think that automobile manufacturers should stop messing around with safety gimmicks such as air bags, and start making car bumpers out of the material Earnest's head is made from. Whatever it is, it's definitely not brain tissue, because Earnest has yet to make even the slightest effort to avoid the tree.

The tree, on the other hand, is definitely moving away from the fence.

Knight-Ridder Newspapers

America the BAD, Paul Fussell's A to Z

By Martha Sherrill
Washington Post Service

WASHINGTON — Gripe. Gripe. Crab. Crab. There are so many things Paul Fussell doesn't like. So many! Sitting on his high stool at the Willard bar, he seems rotten and resistant — at first. Just a grumpy academic, perhaps, pompous and brooding and irritable and potentially hurtful. The social critic. The English professor. Bent over his wine glass, he looks like the aging offspring of Ernest Hemingway and the Grinch Who Stole Christmas.

His eyes rove the room. He has opinions about everything. Drifting from subject to subject, he talks about his World War II experiences, American restaurant food, men's facial hair and toupees, Californians, the 18th century, plastic surgery, Fleet Street, George Orwell and why he hates to see a beautiful woman eating french fries. He nods toward one such example.

"I get very angry and very ill," he says. "Look at her! She isn't eating them now, but she was. I want to rush over to her and say, Madam! Stop!"

But french fries are good!

"I know they're good," he says, "but she could ruin herself. Her figure!"

His new book, "BAD; or, The Dumbing of America," is sort of a downer too, a nasty one-note $19 diatribe, but wait. There's a smile on his face. His book is an appalling onslaught of All-Things-Appalling, but he has a wonderful way of talking, whispering. He's droll and playful. He's quick to laugh, but never at his own jokes.

The truth begins to rear its head: Paul Fussell is probably a pretty nice guy. Fussell, 67, has been moaning about the loss of civility in modern life for years now — when he's not distracted by his thoughts on world war or the 18th century. For the rich, especially, life seems to have taken a horrible turn. It's a tad depressing, this world-going-down-the-tubes feeling. Oh, the foul popularity of polyester. Oh, oh, the mediocrity of ocean liners these days. Oh, oh, oh, those advertisements for Greek fishermen's caps in The New Yorker.

According to Fussell, "BAD" things are different from things that are merely "bad," which is to say merely "not good." "BAD" is something "phony, clumsy, witless, untalented, vacant, or boring that many Americans can be persuaded is genuine, graceful, bright, or fascinating," he says in his book. "Lawrence Welk is a low example. George Bush a high."

BAD is essentially everything in life that Paul Fussell hates. BAD is wearing a beeper to a party, bringing a camcorder to a public event, giving your pets names like Clytemnestra or Hester, drooling over celebrities, being too friendly to strangers, interrupting people in conversation,

Gerald Martineau/The Washington Post

BAD is essentially everything in life that Paul Fussell hates.

talking about the novel you're writing.

It's also the forced applause of a TV game show audience. It's the colorizing of black-and-white movies. It's the homemade signs displayed at sports events. It's astrology too, and UFO sightings, men's diamond pinkie rings, Waterford crystal-handled razors, collections of porcelain thimbles, anything sold by the Franklin Mint, magazines like Connoisseur.

He is not English. He just seems like it. But he and his wife, Harriette Behringer (they met in 1982, when she wrote to him after The Washington Post ran a profile of him), have been living in England for the last two years. He has taken a brief departure from his regular gig at the University of Pennsylvania.

Words he hates: breathtaking, controlled substance, Corinthian leather, gourmet, lifestyle, luxurious, nonperforming loan, relocate, taupe, timepiece, townhome, wellness, world-renowned.

Washington heads Fussell's list of "BAD cities," and is followed by miserable places like Atlantic City, Las Vegas, Miami and Tampa.

"It's BAD in New York as well," he says, "but it's more glitzy- and show biz-BAD. [In Washington] it's middle-class-BAD. I'd say. Terrible people from Kansas trying to come on as aristocrats, you know. Did you read the nasty things I wrote about embassy personnel? They are like field-grade officers just obeying orders. Gentlemen never obey orders! Washington is filled with that kind of thing — people like Ollie North pretending to be gentlemen, pretending to be independent. But he's nothing but an employee. Just a cheap little employee, you know?"

What's the difference between campy and BAD?

"Campy knows that it's BAD," Fussell says. "BAD thinks it's good. Unfortunately, there's almost no audience for campy architecture here in Washington. I mean, there's no audience that's capable of making that distinction, as there is in New York — where a lot of people easily perceive that the Statue of Liberty is camp. Pure camp. Kitsch. There are many things like that in Washington, but what Washington lacks is an audience of subversive wits."

Fussell has a Ph.D. from Harvard in English literature. He's taught at Rutgers and Connecticut College and the University of Pennsylvania, and paid his academic dues with works like "The Theory of Prosody in Eighteenth-Century England."

There was also "The Rhetorical World of Augustan Humanism: Ethics and Imagery From Swift to Burke."

Fussell first wandered away from the 18th century in the early '70s, after writing "Samuel Johnson and the Life of Writing."

A foray into the open library stacks at Princeton — he was bored and looking for something new to learn — resulted in his award-winning book "The Great War and Modern Memory," published in 1975.

In World War II he was an infantry first lieutenant in the U. S. Army in France and Germany and won a Bronze Star and two Purple Hearts. Years later, in Publishers Weekly, he denied any heroism on his part: "For months I was shooting adolescent boys and watching them die, because you knew if you didn't kill them, they'd kill you."

"The war," he says now, "is deep behind everything I do. It taught me that the public world is largely a delusion created by directors and actors and lighting men. I would read accounts of so-called battles I had been in, and they had no relation whatever to what had happened. So I began to perceive that anything written was fiction to various degrees. The whole subject — the difference between actuality and representation — was an interesting one. And that's what brought me to literature in the first place."

Two years ago, he published "Wartime: Understanding and Behavior in the Second World War," calling it "a savage, insensate affair" that has been "sanitized and romanticized almost beyond recognition by the sentimental, the loony patriotic, the ignorant, and the bloodthirsty." More recently, he edited "The Norton Book of Modern War."

But in between war books, he wrote "Abroad: British Literary Traveling Between the Wars," published in 1980, about past glories of travel writing. In 1982 there was "Thank God for the Atom Bomb and Other Essays," in which Fussell went after optimists, puritans and the National Rifle Association, and defended the morality of dropping the bomb on Hiroshima and Nagasaki. In 1983 there was "Class," which took on the pretensions of the bourgeoisie, and the differences among the upper class, the upper middle class, the middle class and "the proles."

His next project? "I'm writing a book on contemporary British literary culture which includes newspapers, and largely excludes fiction.

"It's really about the biographers and travel writers and essayists and writers of high journalistic books, which is a tradition I'm very fond of. I began to see that the really best people in British journalism and nonfiction had never been to universities. That's a wonderful, explosive subject for the Yanks! So I thought I'd do something on that. I began to do research on who had been to college and who had not, and it was astonishing. All the way from Orwell up to the present time, writers of really good nonfiction had not felt a university education to be necessary."

PEOPLE

Israel Philharmonic Drops Wagner Concert

The Israel Philharmonic Orchestra has canceled a Dec. 27 performance of "Tristan und Isolde" that would have ended a ban on Richard Wagner's works in Israel. The decision came in the wake of widespread protests from people who associate Wagner's works with Adolf Hitler and the Third Reich. The orchestra has announced plans for a referendum of the Philharmonic Society's 34,000 subscribers on the matter. "The decision to play or not to play Wagner cannot be taken only by the musicians, this affair is beyond them," Amnon Goldenberg, the president of the society, told Voice of Israel radio Thursday. The opera was to have been conducted by Daniel Barenboim, who earlier had dismissed the linkage between the Nazism and Wagner. "It is wrong," he said.

□

The Dallas audience for the premiere of "JFK" may not have entirely agreed with director Oliver Stone's conspiratorial view of John F. Kennedy's assassination, but many left the theater impressed by the controversial film. "I think it's a very dangerous film, but on the other hand it's beautifully made," said Patricia Patterson, one of about 1,000 people who saw the premiere. The three-hour movie starring Kevin Costner as Jim Garrison, the New Orleans district attorney who investigated the case, puts forth the view that Kennedy's murder was arranged by the military, CIA and defense contractors. It rejects the Warren Commission report, which said Lee Harvey Oswald, acting alone, shot Kennedy.

□

A glove worn on stage by Michael Jackson fetched £16,500 ($30,000) at an auction of show business memorabilia at Christie's in London. The glove, encrusted with rhinestones, was a Jackson trademark and the highlight of the sale. It was bought by a branch in Dublin of the Hard Rock Cafe chain, due to open next summer.

□

Edward I. Koch, the former New York City mayor, has left the hospital with a pacemaker in his chest. The device was implanted a day after he blacked out at a Manhattan health club. Doctors said Koch's heart was strong but that he needed the device to regulate his heartbeat.

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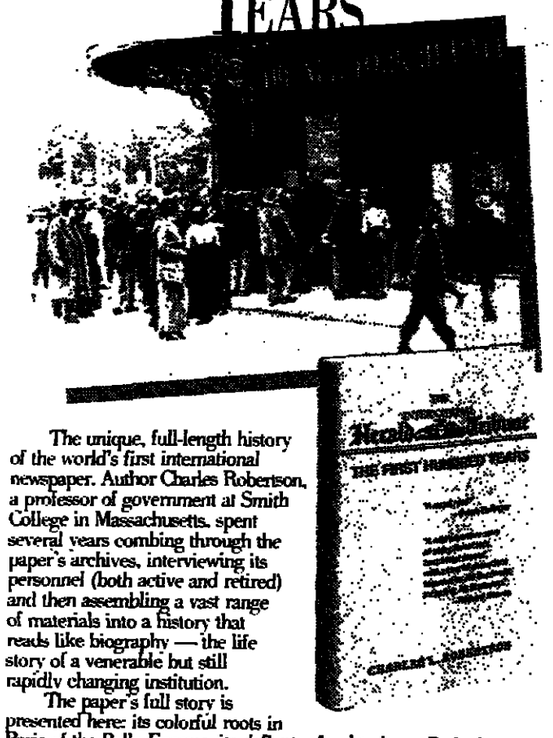

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